Company registration number: 03114198
Charity registration number: 1050794

Aylesham And District Community Workshop Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2019

Batchelor Coop Ltd
The New Barn
Mill Lane
Eastry
Sandwich
CT13 0JW

Aylesham And District Community Workshop Trust

Contents

Aylesham And District Community Workshop Trust

Reference and Administrative Details

Trustees	L J Brazier A Doggett S Manion B Morgan J Davies N Scrivener S Elgar F W J Marsh G Cowan (Resigned 4 May 2018) W R Cornelius (Resigned 4 September 2018) Dr L Keen (appointed 14 May 2018 and Resigned 1 June 2019) Cllr P Walker (appointed 1 June 2019)
Secretary	D Garrity M.B.E.
Principal Office	Ackholt Road Aylesham Kent CT3 3AJ The charity is incorporated in England and Wales.
Company Registration Number	03114198
Charity Registration Number	1050794
Solicitors	Furley Page 52-54 High Street Whitstable Kent CT5 1BG
Bankers	Lloyds Bank PLC 49 High Street Canterbury Kent CT1 2SE
Independent Examiner	Batchelor Coop Ltd The New Barn Mill Lane Eastry Sandwich CT13 0JW

Aylesham And District Community Workshop Trust

Strategic Report for the Year Ended 31 March 2019

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2019, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

The Trustees review the amount of reserves that are required to ensure that they are adequate to provide financial stability and fulfil the charity's continuing obligations in order to meet its charitable objective for the foreseeable future.

The strategic report was approved by the trustees of the charity on 20 November 2019 and signed on its behalf by:

S Manion

....

S Manion
Trustee

Aylesham And District Community Workshop Trust

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2019.

Objectives and activities

Objects and aims

The principle object of the charity is to benefit the persons of Aylesham and the rural district with the objective of improving the quality of life for those persons, by providing or assisting in the provision of facilities for the advancement of education, recreation and employment.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

The company is registered as a charitable company Limited by Guarantee and was set up by a Memorandum of Association on 16 October 1995. .

Recruitment and appointment of trustees

The Trust has policies and procedures in place for the recruiting, induction and training of new trustees.
This policy is under review.

Organisational structure

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association of the company. They form a board of Directors which is responsible for the general control of the charity. Trustees/Directors are volunteers, give their time freely and receive no remuneration or other financial benefits in respect of their voluntary position, save that reasonable expenses (notably travel) may be paid. Trustees/Directors meet together on a regular basis.

Day to day management of the charity and its assets are delegated to paid staff and volunteers.

Risk management

The Trustees examine the major risks that the charity faces each financial year and where necessary seek to develop systems to monitor and control these risks, to mitigate any impact which they may have on the future of the charity.

Aylesham And District Community Workshop Trust

Trustees' Report

Aylesham & District Community Workshop Trust has delivered in accordance to its charitable aims this year. We can report that the trust is in a first class position both financially and business wise.

Our relation with our regeneration partners The Coalfield Regeneration Trust, The Industrial Communities Alliance, Dover District Council, Kent County Council and Aylesham Parish Council is very good. But there is still much more regeneration work to be done.

We are recognised as an important vehicle for Aylesham's regeneration and with the expansion of Aylesham the opportunities for the trust and potential business clients are great.

We need more business units and more office space but we hope that the financial opportunities will become apparent when the relationship with the European Union is resolved.

The Trust's Estate

We have modernised the fire alarm system in units 11 to 20. We have put new pump sump system in Garrity House. We have had to upgrade the external lighting system. We have tested all of the electrical system and updated all of the electrical system in the main building, these tasks are technical but with the help of our subcontractors this work should be completed within the next three years.

We are also investing in a window replacement programme and a total redecoration of all of our properties.

This again will take between three to five years but to keep the estate up to the standard we are used too it is vital work.

The work is expensive but we have earned the funds and cannot afford not to do the work.

Businesses and Operations

Aylesham & District Community Workshop Trust continues to encourage local entrepreneurs to relocate to Aylesham Business Park.

We work with many people with a business idea and some are able to succeed and some do not but it's great to see a person delivering their dream.

We have 25 businesses on site employing in the region of 300 people and putting an estimated £4.5 million into the local economy.

The 25 businesses and organisations spend a significant amount on services and materials in the local economy.

In our small units the rent is manageable for a one or two person business and we have a stonemason, vets, hairdresser, coffee wholesaler, an undertaker, and builder who are working hard and are servicing the local economy.

Our 10 medium size units are also fully occupied and employ about 45 people working in various industries from flood defence system and to working in dentistry with the National Health Service.

The Garrity House office building with 17 office has been another success East Kent Housing have their head office in the building and work with the local councils of Dover, Folkestone, Thanet and Canterbury managing their housing stock.

We have created a purpose designed modern business estate that is the home for a variety of businesses together with community and educational opportunities.

Aylesham And District Community Workshop Trust

Trustees' Report

In south east Kent there is a shortage of good quality modern serviced offices but funding prevents us expanding and modernising the local economy.

We have been operating since 1996 and the trust continues to put training and education for local people and the wider Kent Community as one of its priorities.

Aylesham Business Hub run by KCC continues to promote training but there are big changes at KCC and the future is uncertain.

Bechange Community Hub is an important partner in the community who specialise in helping local people and families reach their full potential and together build a better future for themselves and their families. We continue to support them by means of rent support and our grant system.

Aylesham conference centre has 4 well equipped training rooms and organisations from all over the south east train here. Our client's main business is to provide health & safety training and manual handling and courses that enable people to get into the workplace.

There is a bright future for all of the inhabitants of all of Aylesham working, living and socialising together as an expanding village.

The trust is also working with KCC and the army to ensure that the army cadets based on site continue to thrive. Sergeant Smith has advertised for more recruits to the cadets. They have a great mixture of young boys and girls who have an exciting programme of events. They go camping, on different schemes and learn life skills of fending for themselves in survival exercises.

There are plenty of clubs and organisations in Aylesham working hard to give the villagers worthwhile activities.

Community Grants

Aylesham & District Community Workshop Trust award grants to local clubs and organisations in the former coalfield villages of Aylesham, Elvington, Chislet and Betteshanger and since the grant making started in 2003 have given £140,000 to local former coalfield clubs and organisations.

The Aylesham & District Community Workshop Trust awards grant from its work each year. This year we awarded grants to many local institutions (as listed on page of the accounts). With £12,698 of these grant payments being funded by the charity.

We also sponsor Aylesham Carnival Association by lending them our minibus on long loan so they can attend all of their carnival commitments and the agreement to let the minibus out to any of the clubs and voluntary organisation associated with us in east Kent.

We have also been successful being awarded £30,000 from the Coalfield Regeneration Trust to distribute to deserving community based organisations in the mining villages of Aylesham, Elvington and Betteshanger and Mill Hill Deal who have a great project for their people. This fund is separate from our grant system and is distributed in accordance with the CRT criteria.

Future Opportunities

We do regard ourselves as a vehicle for the regeneration of the Aylesham rural area and we work very closely with East Kent Spatial Development Company and other funding sources to compliment the local economy.

We have land on the site for more workshops and offices and we want to support the wider community to come to Aylesham to set up businesses and be the foundation of a new town.

Aylesham And District Community Workshop Trust

Trustees' Report

The expansion of Aylesham is an ongoing project and on the whole it is a major positive step for Aylesham and its people.

The centre of the village from the Boulevard to the railway station is modern and a credit to the planners.

I would like to thank our staff for their dedication and support Lisa for administration and planning, Keith for looking after the estate and buildings and our customer service /cleaner staff of Kenny Devine and Jane Barton they all work as a close team delivering great outcomes for the trust and the local community. We said farewell to Kenny Devine as he takes retirement and wish him well and thank him for his service.

The trust would like to thank our trustees for making their contribution Cllr Steve Manion the chairman for his constant support and knowledge of business, our treasurer Lonnie Brazier for meticulous scrutiny of our accounts and for Barbara Morgan, Fred Marsh, Jim Davis, Neil Scrivener, Stuart Elgar and Angela Doggett for their work keeping the trust in touch with the community we serve. The Trust would also like to thank Cllr Linda Keen for her contribution to the Trust.

We thank our auditors Batchelor Coop Ltd and our auditor Martin Roby for their work on the charities behalf.

The Aylesham & District Community Workshop Trust has operated on this site for 23 years, but it is time to look forward, the future is bright and there is plenty of regeneration work to do.

The annual report was approved by the trustees of the charity on 20 November 2019 and signed on its behalf by:

....
S Manion
Trustee

Aylesham And District Community Workshop Trust

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Aylesham And District Community Workshop Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Aylesham And District Community Workshop Trust

Independent Examiner's Report to the trustees of Aylesham And District Community Workshop Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2019 which are set out on pages 10 to 27.

Respective responsibilities of trustees and examiner

As the charity's trustees of Aylesham And District Community Workshop Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Aylesham And District Community Workshop Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since Aylesham And District Community Workshop Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Chartered Accountant, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Aylesham And District Community Workshop Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Independent Examiner's Report to the trustees of Aylesham And District Community Workshop Trust

....
Mark A Batchelor BSC FCA
Chartered Accountant

Batchelor Coop Ltd
The New Barn
Mill Lane
Eastry
Sandwich
CT13 0JW

22 November 2019

Aylesham And District Community Workshop Trust

Statement of Financial Activities for the Year Ended 31 March 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Charitable activities	4	176,302	30,000	206,302
Other trading activities	5	96,362	-	96,362
Investment income	6	676	-	676
Total income		273,340	30,000	303,340
Expenditure on:				
Raising funds		(11,599)	-	(11,599)
Charitable activities	7	(232,141)	(50,211)	(282,352)
Total expenditure		(243,740)	(50,211)	(293,951)
Net income/(expenditure)		29,600	(20,211)	9,389
Transfers between funds		(14,999)	14,999	-
Net movement in funds		14,601	(5,212)	9,389
Reconciliation of funds				
Total funds brought forward		433,875	1,462,459	1,896,334
Total funds carried forward	21	448,476	1,457,247	1,905,723

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
Income and Endowments from:				
Donations and legacies	3	200	-	200
Charitable activities	4	131,427	10,000	141,427
Other trading activities	5	88,434	-	88,434
Investment income	6	884	-	884
Total income		220,945	10,000	230,945
Expenditure on:				
Raising funds		(12,583)	-	(12,583)
Charitable activities	7	(208,555)	(31,767)	(240,322)
Total expenditure		(221,138)	(31,767)	(252,905)
Net expenditure		(193)	(21,767)	(21,960)
Transfers between funds		(14,016)	14,016	-
Net movement in funds		(14,209)	(7,751)	(21,960)
Reconciliation of funds				
Total funds brought forward		448,084	1,470,210	1,918,294
Total funds carried forward	21	433,875	1,462,459	1,896,334

Statement of Financial Activities for the Year Ended 31 March 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

The funds breakdown for 2018 is shown in note 21.

All of the charity's activities derive from continuing operations during the above two periods.

Aylesham And District Community Workshop Trust

(Registration number: 03114198)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	1,182,714	1,212,749
Investments	14	650,000	650,000
		1,832,714	1,862,749
Current assets			
Debtors	15	67,319	53,721
Cash at bank and in hand		232,136	201,250
		299,455	254,971
Creditors: Amounts falling due within one year	16	(80,313)	(59,255)
Net current assets		219,142	195,716
Total assets less current liabilities		2,051,856	2,058,465
Creditors: Amounts falling due after more than one year	17	(146,133)	(162,131)
Net assets		1,905,723	1,896,334
Funds of the charity:			
Restricted funds		1,457,247	1,462,459
Unrestricted income funds			
Unrestricted funds		448,476	433,875
Total funds	21	1,905,723	1,896,334

For the financial year ending 31 March 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

Aylesham And District Community Workshop Trust

(Registration number: 03114198)
Balance Sheet as at 31 March 2019

The financial statements on pages 10 to 27 were approved by the trustees, and authorised for issue on 20 November 2019 and signed on their behalf by:

....

L J Brazier
Trustee

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Ackholt Road
Aylesham
Kent
CT3 3AJ

These financial statements were authorised for issue by the trustees on 20 November 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation
Aylesham And District Community Workshop Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement
The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Income derived from the provision of goods or services is stated after any discounts and net of VAT.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation
The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets
Individual fixed assets costing £50.00 or more are initially recorded at cost.

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	**Depreciation method and rate**
Plant and machinery	25% reducing balance
Fixtures and fittings	15% reducing balance
Freehold property	Not depreciated
Motor vehicles	25% reducing balance
Leasehold improvements	Straight line over 50 years
Investment asset	Not depreciated

Investment properties
Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by the trustees. The trustees use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange
Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);

2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and

3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Derivative financial instruments

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Total 2019 £	Total 2018 £
Donations and legacies;		
Donations from community groups	-	200
	-	200

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2019 £	Total 2018 £
Charitable activities	176,302	30,000	206,302	141,427

5 Income from other trading activities

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Property rental income	96,362	96,362	88,434
	96,362	96,362	88,434

6 Investment income

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Interest receivable and similar income;			
Interest receivable on bank deposits	676	676	884

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2019 £	Total 2018 £
Charitable activities		208,462	21,656	230,118	220,754
Grant funding of activities		12,698	28,555	41,253	7,026
Governance costs	8	10,981	-	10,981	12,542
		232,141	50,211	282,352	240,322

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2019 £	Total 2018 £
Other governance costs	319	319	125
Allocated support costs	10,662	10,662	12,417
	10,981	10,981	12,542

9 Grant-making

Analysis of grants

	Grants to institutions 2019 £	2018 £
Analysis		
Grants awarded	41,253	7,026

The support costs associated with grant-making are £Nil (31 March 2018 - £Nil).

Below are details of material grants made to institutions

Name of institution	Activity	2019 £	2018 £
A&SSWS	Charitable activities	3,853	-
Bechange	Charitable activities	2,982	-
Betteshangar Bowls Club	Charitable activities	810	-
Elvington and Eythorne Heritage Group	Charitable activities	750	675
Green Howards	Charitable activities	-	250
S&A Bowls Club	Charitable activities	1,000	1,000
Snowdown CWMV Choir	Charitable activities	900	500
Tilmonstone Welfare	Charitable activities	2,473	-
Tilmonstone Welare Bowls	Charitable activities	593	-
Aylesham Dance Group	Charitable activities	1,000	1,000
Aylesham Community Village Hall	Charitable activities	1,322	971
Aylesham Ladies Choir	Charitable activities	-	630
S&A Youth FC	Charitable activities	750	1,000
Aylesham 4 Aylesham	Charitable activities	2,120	-
Aylesham Carnival Committee	Charitable activities	2,530	-
Aylesham Heritage Centre	Charitable activities	107	-
Chislet Colliery Welfare	Charitable activities	753	-
Elvington Village Hall	Charitable activities	6,000	-
Roses Tea Room & Thrift Shop	Charitable activities	1,500	1,000
Winter Wonderland	Charitable activities	500	-
Kent Miners Festival	Charitable activities	3,344	-
Betteshangar Brass Band	Charitable activities	2,625	-
Betteshanagar Cricket Club	Charitable activities	750	-
Betteshangar W Youth FC	Charitable activities	3,349	-
Betteshangar WS Club	Charitable activities	1,244	-
		41,253	7,026

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

11 Staff costs

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2019 No	2018 No
Average number of employees	6	5

No employee received emoluments of more than £60,000 during the year.

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Other tangible fixed asset £	Total £
Cost					
At 1 April 2018	426,790	221,820	35,252	1,297,713	1,981,575
Additions	-	1,494	-	-	1,494
At 31 March 2019	426,790	223,314	35,252	1,297,713	1,983,069
Depreciation					
At 1 April 2018	-	198,925	32,995	536,906	768,826
Charge for the year	-	3,794	564	27,171	31,529
At 31 March 2019	-	202,719	33,559	564,077	800,355
Net book value					
At 31 March 2019	426,790	20,595	1,693	733,636	1,182,714
At 31 March 2018	426,790	22,895	2,257	760,807	1,212,749

14 Fixed asset investments

	2019 £	2018 £
Investment properties	650,000	650,000

Investment properties

	Investment properties £
Cost or Valuation	
At 1 April 2018	650,000
Provision	
At 31 March 2019	-
Net book value	
At 31 March 2019	650,000
At 31 March 2018	650,000

The investment properties were subject to a formal valuation by an independent valuer in November 2017. The trustees consider that the fair value of investment properties would not have been materially different to this valuation at the Balance Sheet date.

15 Debtors

	2019 £	2018 £
Trade debtors	63,535	46,802
Prepayments	1,695	1,553
Other debtors	2,089	5,366
	67,319	53,721

16 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans	15,997	14,999
VAT	16,442	11,896
Other creditors	32,100	25,928
Accruals	15,774	6,432
	80,313	59,255

17 Creditors: amounts falling due after one year

	2019	2018
	£	£
Bank loans	146,133	162,131

Included in the creditors are the following amounts due after more than five years:

	2019	2018
	£	£
After more than five years by instalments	69,824	90,867

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £3,199 (2018 - £2,937).

19 Related party transactions

During the year the charity made the following related party transactions:

S Manion
(one of the trustees)
During the year the company charged rent and utilities charges of £2,220 (2018 - £2,418) to a business operated by S Manion. These transactions were carried out at arms length on normal commercial terms.. At the balance sheet date the amount due to/from S Manion was £Nil (2018 - £Nil).

N Scriviner
(one of the trustees)
During the year the company charged rent and utilities charges of £4,480 (2018 - £5,151) to N Scriviner. These transactions were carried out at arms length on normal commercial terms.. At the balance sheet date the amount due to/from N Scriviner was £Nil (2018 - £Nil).

Bechange
(a company in which A Doggett, one of the trustees, is the chief executive)
During the year the company charged rent and utilities of £4,167 (2018 - £4,701) and awarded grant funding totalling £2,982 (2018 - £Nil) to Bechange. Although the rent is not charged at a commercial rate these transactions were carried out at arms length in accordance with the charities objects.. At the balance sheet date the amount due to/from Bechange was £Nil (2018 - £Nil).

Batchelor Coop Ltd
(the independent examiner)
During the year the company charged rent of £3,600 (2018 - £3,600) to Batchelor Coop Ltd. These transactions were carried out at arms length on normal commercial terms.. At the balance sheet date the amount due to/from Batchelor Coop Ltd was £Nil (2018 - £Nil).

20 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds £
Tangible fixed assets	214,782	967,932	1,182,714
Fixed asset investments	-	650,000	650,000
Current assets	299,455	-	299,455
Current liabilities	(56,218)	(24,095)	(80,313)
Creditors over 1 year	-	(146,133)	(146,133)
Total net assets	458,019	1,447,704	1,905,723

	Unrestricted funds General £	Restricted funds £	Total funds £
Tangible fixed assets	223,161	989,588	1,212,749
Fixed asset investments	-	650,000	650,000
Current assets	254,971	-	254,971
Current liabilities	(44,256)	(14,999)	(59,255)
Creditors over 1 year	-	(162,131)	(162,131)
Total net assets	433,876	1,462,458	1,896,334

21 Funds

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds					
General	(433,875)	(273,340)	243,740	14,999	(448,476)
Restricted funds	(1,462,459)	(30,000)	50,211	(14,999)	(1,457,247)
Total funds	(1,896,334)	(303,340)	293,951	-	(1,905,723)

	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2018 £
Unrestricted funds					
General	(448,084)	(220,945)	221,138	14,016	(433,875)
Restricted funds	(1,470,210)	(10,000)	31,767	(14,016)	(1,462,459)
Total funds	(1,918,294)	(230,945)	252,905	-	(1,896,334)

Registered number: 04400592

Visit Kent Limited

(A company limited by guarantee)

Directors' report and financial statements

For the year ended 31 March 2019

Visit Kent Limited

(A company limited by guarantee)

Company Information

Directors	J Bannister (appointed 3 July 2019) W Benson C Carmichael S Codrington (appointed 28 November 2018) M Dance W Ferris T Heslop (appointed 28 November 2018, resigned 13 February 2019) R Hicks D Hughes J Keefe S Matthews-Marsh (resigned 28 December 2018) J Neame D Statham D Wells (appointed 28 November 2018) S Wood (resigned 28 November 2018)
Registered number	04400592
Registered office	28-30 St Peter's Street Canterbury Kent CT1 2BQ
Independent auditors	Kreston Reeves LLP Chartered Accountants & Statutory Auditor 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	National Westminster Bank Plc 11 The Parade Canterbury Kent CT1 2SG

Visit Kent Limited

(A company limited by guarantee)

Contents

Visit Kent Limited

(A company limited by guarantee)

Directors' report
For the Year Ended 31 March 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Principal activities

The group's principal activity is to carry on business and activities as may promote, market, advertise and develop nationally and internationally the tourist industry and all the bodies, entities, persons associated and involved therein.

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in directors' reports may differ from legislation in other jurisdictions.

Directors

The directors who served during the year were:

W Benson
C Carmichael
M Dance
W Ferris
R Hicks
D Hughes
J Keefe
S Matthews-Marsh (resigned 28 December 2018)
J Neame
D Statham
S Wood (resigned 28 November 2018)
S Codrington (appointed 28 November 2018)
D Wells (appointed 28 November 2018)
T Heslop (appointed 28 November 2018, resigned 13 February 2019)

Directors' report (continued)
For the Year Ended 31 March 2019

Provision of in-kind services

The services which can be reliably measured have been recognised in the financial statements in accordance with the requirements of public benefit entity reporting under FRS102.

In-kind services can not be reliably measured and therefore have not been recognised in the financial statements. These goods and services have been estimated by the directors based on their experience and the market value of similar services received. Goods and Services with an estimated value in the region of £750,000 (2018: £750,000) were provided by a number of private sector investors.

Visit Kent Limited is grateful to the providers of these services, without which much of the work undertaken could not have been achieved.

Disclosure 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 the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

Post year end the company received dividends of £25,000 from its subsidiary, Go To Places Limited.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 7 November 2019 and signed on its behalf.

D Wells
Director

J Neame
Director

Independent auditors' report to the members of Visit Kent Limited

Opinion

We have audited the financial statements of Visit Kent Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2019, which comprise the Group statement of income and retained earnings, the Group and Company balance sheets and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2019 and of the Group's profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a group strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members of Visit Kent Limited (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Group or Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group or Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditors' report to the members of Visit Kent Limited (continued)

Use of our report

This report is made solely to the Group or Parent 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 Group or Parent 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 Group or Parent Company and the Group or Parent Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Robert Sellers FCCA (senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury

8 November 2019

Visit Kent Limited

(A company limited by guarantee)

Consolidated statement of income and retained earnings
For the Year Ended 31 March 2019

	Note	2019 £	2018 £
Turnover		**2,166,588**	1,890,656
Cost of sales		**(1,602,761)**	(1,719,605)
Gross profit		**563,827**	171,051
Administrative expenses		**(551,603)**	(291,726)
Operating profit/(loss)		**12,224**	(120,675)
Interest receivable and similar income		**54**	47
Profit/(loss) before tax		**12,278**	(120,628)
Tax on profit/(loss)		**(10)**	(9)
Profit/(loss) after tax		**12,268**	(120,637)
Retained earnings at the beginning of the year		**101,387**	222,024
Profit/(loss) for the year attributable to the owners of the parent		**12,268**	(120,637)
Retained earnings at the end of the year		**113,655**	101,387

There were no recognised gains and losses for 2019 or 2018 other than those included in the consolidated statement of income and retained earnings.

The notes on pages 10 to 17 form part of these financial statements.

Visit Kent Limited

(A company limited by guarantee)
Registered number: 04400592

Consolidated balance sheet
As at 31 March 2019

	Note		2019 £		2018 £
Fixed assets					
Tangible assets	5		**19,634**		25,848
			19,634		25,848
Current assets					
Debtors: amounts falling due within one year	7	**633,182**		654,238	
Bank & cash balances		**124,462**		242,784	
		757,644		897,022	
Creditors: amounts falling due within one year		**(663,623)**		(808,483)	
Net current assets			**94,021**		88,539
Total assets less current liabilities			**113,655**		114,387
Creditors: amounts falling due after more than one year			**-**		(13,000)
Net assets			**113,655**		101,387
Capital and reserves					
Profit and loss account			**113,655**		101,387
			113,655		101,387

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 November 2019.

D Wells
Director

J Neame
Director

The notes on pages 10 to 17 form part of these financial statements.

Visit Kent Limited

(A company limited by guarantee)
Registered number: 04400592

Company balance sheet
As at 31 March 2019

	Note		2019 £		2018 £
Fixed assets					
Tangible assets	5		**19,634**		25,848
Investments	6		**1**		1
			19,635		25,849
Current assets					
Debtors: amounts falling due within one year	7	**496,553**		509,114	
Bank & cash balances		**77,080**		106,743	
		573,633		615,857	
Creditors: amounts falling due within one year		**(528,025)**		(542,961)	
Net current assets			**45,608**		72,896
Total assets less current liabilities			**65,243**		98,745
Net assets			**65,243**		98,745
Capital and reserves					
Profit and loss account brought forward		**98,745**		222,024	
Loss for the year		**(33,502)**		(123,279)	
Profit and loss account carried forward			**65,243**		98,745
			65,243		98,745

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 November 2019.

D Wells
Director

J Neame
Director

The notes on pages 10 to 17 form part of these financial statements.

1. General information

Visit Kent Limited is a company limited by guarantee, incorporated in England and Wales. Each of the members are liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The group is considered to be a public benefit entity in accordance with the requirements of FRS102.

The group's principal activity is to carry on business and activities as may promote, market, advertise and develop nationally and internationally the tourist industry and all the bodies, entities, persons associated and involved therein.

The registered office is 28 - 30 St. Peters Street, Canterbury, Kent, CT1 2BQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of income and retained earnings in these financial statements.

The group's functional and presentational currency is Pounds Sterling.

The financial statements have been rounded to the nearest Pound.

The Company is considered to be a public benefit entity in accordance with the requirements of FRS102.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiary ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of income and retained earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 31 March 2017.

2. Accounting policies (continued)

2.3 Going concern

During the year the group made a profit of £12,268 and retains net assets of £113,655. However, Visit Kent Limited made a loss in the year and reports net assets of £65,243 at the year end.

Post year end Visit Kent Limited received a dividend of £25,000 from its subsidiary which has improved the company's financial position. Further, the group's forecasts and projections show that the business is projecting a surplus for the period to 31 March 2020 and positive cash flows until 31 March 2021.

The group benefits from core income from private sector investors and local authorities to promote the tourist industry in Kent. The timings of other cash flows can however be unpredictable for the award of grants and income derived from special campaigns, and as a result of this the company is in the process of obtaining funding by way of a bank loan from Kent County Council, which is due to be approved following the approval of these financial statements. Based on the current position at the date of signing the accounts and the expected future results, the directors expect to use any loan drawn down to provide liquidity to enable the business to grow rather than address short term cash flow challenges.

As a result of the actions mentioned above and the group's forecast and projections, together with the dividend paid post year end and implementation of steps to contain costs and generate additional income, the directors believe that the group will have adequate resources to continue in operational existence for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Grant income

Grant funding is recognised under the accrual model as prescribed by FRS102. Grant funding is only recognised in circumstances where the Board are confident that the claim will be accepted, in the relevant periods in which the entity recognises the related costs for which the grant is intended to compensate.

In-kind services

In-kind services or facilities are recognised when the group has control over the item, any conditions associated with the item have been met, the receipt of economic benefit from the use of the group of the item is probable and that economic benefit can be measured reliably. On receipt, in-kind services and facilities are recognised on the basis of the value of the gift to the group which is the amount the group would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

In-kind services of which the fair value can not be reliably measured have not been recognised in the financial statements but disclosure has been made of their estimated value.

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	25% straight line
Fixtures and fittings	-	20% straight line
Office equipment	-	20% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of income and retained earnings.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

Short term creditors are measured at the transaction price.

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is Pounds Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of income and retained earnings within 'other operating income'.

2.11 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the consolidated statement of income and retained earnings 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Interest income

Interest income is recognised in the consolidated statement of income and retained earnings using the effective interest method.

2.13 Taxation

Tax is recognised in the consolidated statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgement has had the most significant impact on amounts recognised in the financial statements:

Public benefit entity

The group receives a number of in-kind services from private sector investors as disclosed in the directors' report. The services which can be reliably measured have been recognised in the financial statements on the basis that the directors consider the group to be a public benefit entity in accordance with the requirements of FRS102.

In-kind services received comprise advertising and publications, event hire, catering, accommodation, trade contracts, entry to attractions and rates reductions. The value of these services has, in part, been estimated by the directors based on their experience and the market value of similar services received.

Recognition of the in-kind services which can be reliably measured are shown within income with a matching cost and there is therefore no effect on profitability. In-kind services of which the fair value can not be reliably measured have not been recognised in the financial statements and the directors' estimate that these services are valued in the region of £750,000 (2018: £750,000).

Grant income

The group's entitlement to grant funding (see note 2.4) is dependent on it meeting certain "key delivery outcomes" as specified within the grant documentation. In the opinion of the directors the group has continued to meet these "key delivery outcomes".

4. Employees

The average monthly number of employees, including directors, during the year was 27 (2018 - 23).

5. Tangible fixed assets

Group and Company

	Motor vehicles	Office equipment	Computer equipment	Total
	£	£	£	£
Cost or valuation				
At 1 April 2018	**6,896**	**14,054**	**28,941**	**49,891**
Additions	**279**	**1,295**	**3,917**	**5,491**
At 31 March 2019	**7,175**	**15,349**	**32,858**	**55,382**
Depreciation				
At 1 April 2018	**6,896**	**4,134**	**13,013**	**24,043**
Charge for the year on owned assets	**71**	**2,536**	**9,098**	**11,705**
At 31 March 2019	**6,967**	**6,670**	**22,111**	**35,748**
Net book value				
At 31 March 2019	**208**	**8,679**	**10,747**	**19,634**
At 31 March 2018	-	9,920	15,928	25,848

6. Fixed asset investments

Company

	Investments in subsidiary company
	£
Cost or valuation	
At 1 April 2018	1
At 31 March 2019	1

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
Go To Places Limited	Promotion of tourism	Ordinary	100 %

Go To Places Limited's registered office is 28-30 St Peter's Street, Canterbury, Kent, CT1 2BQ.

7. Debtors

	Group 2019	Group 2018	Company 2019	Company 2018
	£	£	£	£
Trade debtors	316,732	354,846	261,810	269,132
Amounts due from subsidiary	-	-	-	87,757
Grant debtors	302,230	286,120	220,729	140,007
Prepayments and accrued income	14,220	13,272	14,014	12,218
	633,182	654,238	496,553	509,114

8. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	**256,153**	89,746	**128,361**	88,376
Amounts owed to group undertakings	**-**	-	**78,057**	-
Corporation tax	**10**	9	**10**	9
Other taxation and social security	**92,761**	118,266	**72,589**	102,867
Other creditors	**10,949**	6,674	**10,111**	6,241
Accruals and deferred income	**303,750**	593,788	**238,897**	345,468
	663,623	808,483	**528,025**	542,961

9. Contingent liabilities

The group's entitlement to grant funding (see note 2.4) is dependent on it meeting certain "key delivery outcomes" as specified within the grant documentation. In the opinion of the directors, the group has continued to meet these "key delivery outcomes". Therefore whilst failure to adhere to these requirements could result in an obligation to repay part of the funds, no attempt has been made to quantify the amount of this contingent liability as in the opinion of the directors the likelihood of the group being obliged to make any repayment is negligible.

10. Commitments under operating leases

At 31 March 2019 the Group had future minimum lease payments under non-cancellable operating leases as follows:

Group	2019 £	2018 £
Not later than 1 year	**876**	876
Later than 1 year and not later than 5 years	**219**	1,095
	1,095	1,971

11. Controlling party

In the opinion of the directors there is no one ultimate controlling party.

Company Registration No. 03230721 (England and Wales)

LOCATE IN KENT LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

PAGES FOR FILING WITH REGISTRAR

LOCATE IN KENT LIMITED

CONTENTS

LOCATE IN KENT LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Current assets					
Debtors	**4**	142,976		285,447	
Cash at bank and in hand		361,439		79,141	
		504,415		364,588	
Creditors: amounts falling due within one year	**5**	(75,612)		(123,421)	
Net current assets			428,803		241,167
Capital and reserves					
Profit and loss reserves			428,803		241,167

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 28 November 2019 and are signed on its behalf by:

D Fitzsimmons	G Cleary
Director	**Director**

Company Registration No. 03230721

1 Accounting policies

Company information

Locate In Kent Limited is a private company limited by guarantee in England and Wales and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation. The registered office is 1st Floor International House, Dover Place, Ashford , Kent, TN23 1HU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The future funding of the company is subject to it being successful in the tender process for a new core contract for a further 3 year period beyond the end of the current core delivery contract which ends on 7 August 2020. A material uncertainty exists that casts significant doubt upon the company's ability to continue as a going concern. Should the company not be successful the business will be brought to a solvent cessation at that date. The approach the Directors and the company have taken is designed to ensure that it can realise its assets and discharge its liabilities in the normal course of business even if a new contract is not won. However, given the ongoing efforts to win a new core contract, the directors continue to adopt the going concern basis of accounting.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	50% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies **(Continued)**

At each reporting date, fixtures and fittings are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

The company operated a defined contribution scheme for the benefits of its employees. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 12 (2018 - 15).

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2018 and 31 March 2019	14,414
Depreciation and impairment	
At 1 April 2018 and 31 March 2019	14,414
Carrying amount	
At 31 March 2019	-
At 31 March 2018	-

4 Debtors

	2019	2018
Amounts falling due within one year:	£	£
Trade debtors	117,929	227,110
Other debtors	25,047	58,337
	142,976	285,447

5 Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	-	17,827
Trade creditors	19,509	38,276
Corporation tax	81	54
Other taxation and social security	43,651	44,294
Other creditors	12,371	22,970
	75,612	123,421

REGISTERED NUMBER: 05259365 (England and Wales)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

FOR

TRADING STANDARDS SOUTH EAST LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

TRADING STANDARDS SOUTH EAST LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019

DIRECTORS:	S M F Murphy A L Poole S J Ruddy M Golledge J S Woodhouse R I Webb G J Jackson J Player J Kerman V De Haan A Gregory S C Crawley D R Cross I G Gilmore R Zambra L C Corrie P Lipscomb R W Sargeant A J Clooney J Crosbie S M Rock E C Skinner J A Chambers J Whitelegg B Meredith R J Kaya R N Strawson A Beynon M E Norfolk
SECRETARY:	G J Jackson
REGISTERED OFFICE:	Surrey County Council, Fairmount House Bull Hill Leatherhead Surrey KT22 7AY
REGISTERED NUMBER:	05259365 (England and Wales)
SENIOR STATUTORY AUDITOR:	Anthony Brain
AUDITORS:	CG LEE Limited Chartered Certified Accountants Statutory Auditors Ingram House Meridian Way Norwich Norfolk NR7 0TA

BALANCE SHEET
31 MARCH 2019

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors	4	708,150	277,687
Cash at bank		1,266,287	1,726,437
		1,974,437	2,004,124
CREDITORS			
Amounts falling due within one year	5	1,411,352	1,403,602
NET CURRENT ASSETS		563,085	600,522
TOTAL ASSETS LESS CURRENT LIABILITIES		563,085	600,522
RESERVES			
Income and expenditure account		563,085	600,522
		563,085	600,522

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors on 18 December 2019 and were signed on its behalf by:

S C Crawley - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. STATUTORY INFORMATION

Trading Standards South East Limited is a private company, limited by guarantee , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover
Turnover represents the net value of services provided, excluding value added tax.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Grants receivable
Revenue grants received are matched against the expenditure to which they relate.

Grants received in respect of capital expenditure are credited to the deferred income account and are released to the profit and loss account by equal instalments over the expected useful lives of the assets.

Any unmatched surplus revenue grants at the end of the period are carried forward in reserves.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 29 (2018 - 29) .

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	327,742	77,889
Other debtors	380,408	199,798
	708,150	277,687

continued...

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	389,791	236,974
Taxation and social security	995	165
Other creditors	1,020,566	1,166,463
	1,411,352	1,403,602

6. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Auditors' Report was unqualified.

Anthony Brain (Senior Statutory Auditor)
for and on behalf of CG LEE Limited

7. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

8. LIMITED LIABILITY AND CONTROLLING INTEREST

The company is limited by guarantee and does not have any share capital. The liability of the members is limited to contributions of £1. There is no ultimate controlling party.

Registered number: 04410176

East Kent Spatial Development Company

(A company limited by guarantee)

Directors' Report and Financial Statements

For the year ended 31 March 2019

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

Company Information

Member Organisations	Kent County Council (KCC) University of Kent (UoK) Locate in Kent (LiK) Thanet District Council (TDC) Dover District Council (DDC) Shepway District Council (SDC) Canterbury City Council (CCC)
Directors	M Dance (KCC) C Barron (UoK) P Czarnomski (UoK) D Monk (SDC) S Cook (CCC) (resigned 21 May 2019) K Morris (DDC) J Savage (TDC) R Thomas (CCC) (appointed 21 May 2019)
Company secretary & Chief executive officer	D Spalding
Registered number	04410176
Registered office	Clover House John Wilson Business Park Chestfield Whitstable Kent CT5 3QZ
Independent auditors	Kreston Reeves LLP Statutory Auditor & Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	NatWest Bank Plc 11 The Parade Canterbury Kent CT1 2SQ

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

Contents

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

Directors' Report
For the year ended 31 March 2019

The Directors present their report and the financial statements for the year ended 31 March 2019.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 adequate 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 to 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.

Principal activity

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:

M Dance (KCC)
C Barron (UoK)
P Czarnomski (UoK)
D Monk (SDC)
S Cook (CCC) (resigned 21 May 2019)
K Morris (DDC)
J Savage (TDC)

Directors' Report (continued)
For the year ended 31 March 2019

Disclosure 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 the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 10 September 2019 and signed on its behalf.

R Thomas (CCC)
Director

Independent Auditors' Report to the Members of East Kent Spatial Development Company

Opinion

We have audited the financial statements of East Kent Spatial Development Company (the 'Company') for the year ended 31 March 2019, which comprise the Statement of comprehensive income, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter

Valuation of other debtors
(i) - Utility loans
In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in notes 2.6, 3, 8 and 12 to the financial statements concerning the value of utility provider loans included in other debtors which is dependant upon performance criteria outside the company's control. The ultimate value of these other debtors cannot be presently determined.
(ii) - Hadlow College (in Administration)
We have also considered the adequacy of the disclosures made in notes 3 and 8 to the financial statements concerning the value of the loan in other debtors to Hadlow College (in administration) which is dependant upon the administration of that company. The total recovery against this loan cannot be presently determined.

Independent Auditors' Report to the Members of East Kent Spatial Development Company (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Independent Auditors' Report to the Members of East Kent Spatial Development Company (continued)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditors' Report to the Members of East Kent Spatial Development Company (continued)

Use of our report

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 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.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury

11 September 2019

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

Statement of Comprehensive Income
For the year ended 31 March 2019

	Note	2019 £	2018 £
Turnover		**1,103,681**	1,079,509
Cost of sales		**(544,313)**	(647,522)
Gross profit		**559,368**	431,987
Administrative expenses		**(143,816)**	(152,682)
Fair value movements		**23,636**	131,922
Operating profit		**439,188**	411,227
Interest receivable and similar income		**69,517**	43,019
Interest payable and expenses		**1,500**	405
Profit before tax		**510,205**	454,651
Tax on profit	5	**(86,194)**	(111,321)
Profit for the financial year		**424,011**	343,330

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 9 to 21 form part of these financial statements.

East Kent Spatial Development Company
(A company limited by guarantee)
Registered number: 04410176

Balance Sheet
As at 31 March 2019

	Note		2019 £		2018 £
Fixed assets					
Tangible assets	6		21,272		12,350
Investment properties	7		5,401,120		5,401,120
			5,422,392		5,413,470
Current assets					
Debtors	8	5,123,882		5,051,027	
Cash at bank and in hand		2,959,276		2,504,634	
		8,083,158		7,555,661	
Creditors: amounts falling due within one year	9	(524,359)		(525,363)	
Net current assets			7,558,799		7,030,298
Total assets less current liabilities			12,981,191		12,443,768
Creditors: amounts falling due after more than one year	10		(5,575,444)		(5,579,138)
Provisions for liabilities					
Deferred tax	13	(918,190)		(801,085)	
			(918,190)		(801,085)
Net assets			6,487,557		6,063,545
Capital and reserves					
Reserves			6,487,557		6,063,545
			6,487,557		6,063,545

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 September 2019.

R Thomas (CCC)
Director

The notes on pages 9 to 21 form part of these financial statements.

Notes to the Financial Statements
For the year ended 31 March 2019

1. General information

East Kent Spatial Development Company is a company limited by guarantee incorporated in England. The address of the registered office is Clover House, John Wilson Business Park, Chestfield, Whitstable, CT5 3QZ.

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.

The financial statements are presented in sterling which is the functional currency of the company. The financial statements are rounded to the nearest pound.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

There is no certainty over the timing and future value of the other debtor loan repayments and consequently the carrying value of the loans which are valued at the Directors' best estimate of fair value.

The company made a profit before grant releases and fair value movements of £415,472 (2018: £279,305). The company has £2,959,276 (2018: £2,504,634) included in cash at the bank. As a consequence the Directors believe that the company is well place to manage its business risks successfully despite the current uncertain economic outlook and uncertainty over the carrying value of utility loans (see notes 2.6, 3, 8 and 12) and the uncertainty over the recoverable value of the Hadlow College loan (see notes 3 and 8).

After making enquiries, the Directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office Equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.5 Investment properties

Investment properties are carried at fair value based on the latest valuation undertaken, derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. The 2019 valuations were undertaken by the Directors informed by the most recent valuations prepared by Caxtons Commercial Limited Chartered Surveyors. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Utility loans

Other debtors include loans made to a utility provider to finance new infrastructure works in East Kent. The loans (utility loans) are index linked to RPI and are repayable as and when third parties pay the utility provider to connect to the new utility infrastructure. The amount of the utility loan repayable is proportionate to the capacity connected as a percentage of the total capacity of the new utility network.

In order to make these utility loans the company has received grants (see note 2.10). At the point of repayment, the grant made to finance the utility loan is transferred from designated grants in advance to unrestricted grants in advance.

The utility loans have been treated as other financial instruments and are measured at fair value, being the present value of future payments discounted at a market rate of interest for a similar debt instrument. Any movement in the value of this estimate, other than from draw down or repayment, is taken to the Statement of comprehensive income.

The directors do not envisage 100% connection to the network and therefore they have made a provision to reduce the value of utility loans to their estimated fair value. There is no certainty over the timing and percentage connection to the network that will be achieved. As such there is significant uncertainty over the carrying value of utility loans.

Fair value is the directors' best estimate of the discounted future income stream arising from the repayment of the utility loans based on the latest professional consideration of the likely repayments. Repayments are linked to the Retail Price Index up to March 2019 and it is assumed this will continue to rise at 3.5% per annum. The discount rate applied is also assumed to be 3.5%.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. Accounting policies (continued)

2.8 Financial instruments

Other than the Company's utility loans, the Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors; and loans to related and other parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.10 Grants

Grants received in respect of investment properties

Investment property related grants are accounted for in accordance with the performance model. Under the performance model:

- A grant that specified performance conditions is recognised in other operating income when the performance criteria is met;
- A grant that does not specify performance conditions is recognised in other operating income when the proceeds are received or receivable;
- A grant received before the recognition criteria are satisfied is recognised as a liability.

Grants received in respect of revenue expenditure

Grants relating to revenue expenditure are accounted for in accordance with the accrual model. Under the accrual model grants relating to revenue shall be recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Grants received to finance utility loans

Grants receivable to finance utility loans are accounted for under the accrual model. Under the accrual model grants relating to utility loans shall be transferred from designated grants in advance to unrestricted grants in advance in the period in which repayment or other reduction of the other debtor to which they relate is made.

2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgments have had the most significant impact on amounts recognised in the financial statements:

Going concern

In the judgment of the directors it is appropriate to prepare the financial statements in accordance with the going concern basis of accounting. See note 2.2 for further details.

Investment properties

The company holds investment properties with fair value of £5,401,120 at the year end (see note 7). The Directors' valuation is based on valuations provided by independent valuation specialists with experience in the location and nature of the property being valued. They have used a valuation technique based on comparable market data. The determined fair value of the investment properties is most sensitive to fluctuations in the property market.

Debtors - infrastructure loans

The company has made loans to a utility provider. The utility loans have been treated as other financial instruments and are measured at fair value, being the present value of future payments discounted at a market rate of interest for a similar debt instrument. Fair value is taken as the Directors' best estimate of the discounted future income stream arising from the repayment of the utility loans (see note 2.6).

Any movement in the value of this estimate, other than from the draw down or repayment, is taken to the statement of comprehensive income.

The Directors do not envisage 100% connection to the network and therefore they have made a provision to reduce the value of utility loans to their estimated fair value. There is no certainty over the timing and percentage connection to the network that will be achieved. As such there is significant uncertainty over the carrying value of utility loans.

Debtors - Hadlow College

The company has also made a loan to Hadlow College. The loan is unsecured and interest bearing and is repayable following completion of the development for which it was loaned. The loan is carried at is capital plus interest value.

Hadlow College is now in Education Administration. As such there is uncertainty over the recoverable value of the loan made to Hadlow College. However, the Directors have taken advice on the recoverability of this loan and are satisfied that the loan (capital plus interest) will be recovered in full.

Grants

Grants relating to investment properties are accounted for under the performance model. In the opinion of the Directors' all performance criteria have been met and thus all appropriate grant income has been released.

Notes to the Financial Statements
For the year ended 31 March 2019

4. Employees

The average monthly number of employees, including directors, during the year was 3 (2018 - 3).

5. Taxation

	2019	2018
	£	£
Corporation tax		
Current tax on profits for the year	**24,803**	55,714
Adjustments in respect of previous periods	**(55,714)**	3,380
Total current tax	**(30,911)**	59,094
Deferred tax		
Changes to tax rates	**-**	19,814
Origination and reversal of timing differences	**117,105**	32,413
Total deferred tax	**117,105**	52,227
Taxation on profit on ordinary activities	**86,194**	111,321

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

Notes to the Financial Statements
For the year ended 31 March 2019

6. Tangible fixed assets

	Furniture, fittings and equipment £
Cost or valuation	
At 1 April 2018	28,508
Additions	18,398
Disposals	(7,116)
At 31 March 2019	39,790
Depreciation	
At 1 April 2018	16,158
Charge for the year on owned assets	9,476
Disposals	(7,116)
At 31 March 2019	18,518
Net book value	
At 31 March 2019	21,272
At 31 March 2018	12,350

7. Investment properties

	Long term Leasehold investment properties £
Valuation	
At 1 April 2018	**5,401,120**
At 31 March 2019	**5,401,120**

The 31 March 2019 valuations were made by the Directors, informed by the most recent valuations undertaken by Caxtons Commercial Limited Chartered Surveyors, on a fair value basis.

Caxtons Commercial Limited Chartered Surveyors are an independent professionally qualified valuers with recent experience in the location.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2019 £	2018 £
Historic cost	**10,308,367**	10,308,367
Accumulated impairments	**(4,907,247)**	(4,907,247)
	5,401,120	5,401,120

8. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	**4,001,393**	4,866,522
	4,001,393	4,866,522
Due within one year		
Trade debtors	**95,739**	71,200
Other debtors	**961,131**	80,030
Prepayments and accrued income	**65,619**	33,275
	5,123,882	5,051,027

8. Debtors (continued)

Other debtors include loans made to a utility service provider to finance the installation of new network infrastructure. Repayment of this loan is dependant on connections to the infrastructure, see notes 2.6, 3 and 12.

Other debtors also include a loan made to Hadlow College to finance the construction of a new development. Hadlow College has entered Education Administration so there is some uncertainty over the recoverable amount of this loan, see note 3. The balance included in other debtors at 31 March 2019 is £869,390 due within one year (2018: £839,304 due after more than one year).

9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Grants received in advance (see note 11)	**85,104**	81,410
Trade creditors	**72,233**	2,098
Corporation tax	**24,803**	67,689
Other taxation and social security	**-**	23,716
Other creditors	**201,443**	215,441
Accruals and deferred income	**140,776**	135,009
	524,359	525,363

10. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Grants received in advance (see note 11)	**5,575,444**	5,579,138
	5,575,444	5,579,138

Notes to the Financial Statements
For the year ended 31 March 2019

11. Grants received in advance

	2019 £	2018 £
Designated grants - other debtors	**4,650,686**	4,822,887
Unrestricted grants	**1,009,862**	837,661
	5,660,548	5,660,548

Designated grants
These relate to grants received in order to finance other debtor loans made by the company. They are converted to unrestricted grants once the repayment of the other debtors falls due. The balance includes Single Regeneration Budget funding administered through TDC of £1,172,407 (2018: £1,215,817) and other third party funding of £3,478,279 (2018: £3,607,070).

Unrestricted grants
These relate to those grants received by the company that the company is able to use for whatever purpose it deems appropriate. The balance includes unreleased general grant funding of £57,304 (2018: £57,304) and converted other debtor grants of £952,558 (2018: £780,357)

12. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	**4,085,059**	4,107,248
	4,085,059	4,107,248

Financial assets measured at fair value through profit or loss comprise loans made to a utility provider which are held in other debtors. The valuation principles of these loans and related uncertainties are described in note 2.6.

13. Deferred taxation

	2019 £
At beginning of year	**(801,085)**
Charged to the profit or loss	**(117,105)**
At end of year	**(918,190)**

Notes to the Financial Statements
For the year ended 31 March 2019

13. Deferred taxation (continued)

The deferred tax liability is made up as follows:

	2019 £	2018 £
Tax losses carried forward	-	117,105
Grant funding of property acquisitions	(918,190)	(918,190)
	(918,190)	(801,085)

14. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

15. Contingent liabilities

The company has received grants contingent on meeting certain performance criteria. The Directors are confident that the company will meet these performance criteria.

16. Post balance sheet events

On 11 August 2019, the company entered into a contract to purchase a new building for an amount of £350,000. The anticipated fit out costs for the building are £887,000.

17. Controlling party

There is no controlling party for the company.

Company Registration No. 05505567 (England and Wales)

PRODUCED IN KENT LIMITED

COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
COMPANY INFORMATION

Directors	Mr S Clarke	
	Mr R Phillips	
	Mr J Barnes	
	Mr S Holden	
	Mr K Morrison	
	Mrs S Holt	(Appointed 18 July 2018)
	Mr F Dunlop	(Appointed 31 January 2019)
	Mrs S Newall	(Appointed 31 January 2019)
Secretary	S Durling	
Company number	05505567	
Registered office	Rural Regeneration Centre Blackmans Lane Hadlow Tonbridge Kent England TN11 0AX	
Auditor	Wilkins Kennedy Audit Services 5th Floor Ashford Commercial Quarter 1 Dover Place Ashford Kent TN23 1FB	
Business address	Rural Regeneration Centre Blackmans Lane Hadlow Tonbridge Kent England TN11 0AX	

PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
CONTENTS

PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities
The principal activity of the company continued to be that of increasing public awareness of produce which has been produced in Kent.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P Hannan	(Resigned 23 April 2019)
Mr W Opie	(Resigned 1 December 2018)
Mr S Clarke	
Mr R Phillips	
Ms A Church	(Resigned 3 May 2018)
Mr J Barnes	
Mr S Holden	
Mr K Morrison	
Mrs S Holt	(Appointed 18 July 2018)
Mr F Dunlop	(Appointed 31 January 2019)
Mrs S Newall	(Appointed 31 January 2019)
Mr D Payne	(Appointed 23 April 2019 and resigned 28 June 2019)

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). 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 accounting 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 adequate 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. 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.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

On behalf of the board

....
Mr S Clarke
Director

Date: 24/7/19..................

TO THE MEMBERS OF PRODUCED IN KENT LIMITED

Opinion
We have audited the financial statements of Produced in Kent Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We draw attention to Note 10 in the financial statements relating to events after the reporting date. Subject to this, we have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of our audit:
- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

TO THE MEMBERS OF PRODUCED IN KENT LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Wilkins Kennedy Audit Services

John McIntyre (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services

Accountants
Statutory Auditor

15 Sept 2019

5th Floor
Ashford Commercial Quarter
1 Dover Place
Ashford
Kent
TN23 1FB

PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2019

		2019	2018
		£	£
Turnover		245,572	231,550
Cost of sales		(93,968)	(75,640)
Gross profit		151,604	155,910
Administrative expenses		(163,170)	(150,106)
Operating (loss)/profit	**2**	(11,566)	5,804
Interest receivable and similar income		248	178
Interest payable and similar expenses		(2)	-
(Loss)/profit before taxation		(11,320)	5,982
Tax on (loss)/profit		975	(1,157)
(Loss)/profit for the financial year		(10,345)	4,825
Retained earnings brought forward as previously reported		63,927	59,102
Retained earnings carried forward		53,582	63,927

PRODUCED IN KENT LIMITED
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	4		199		398
Investments	5		2		2
			201		400
Current assets					
Debtors	7	59,701		68,061	
Cash at bank and in hand		104,506		112,259	
		164,207		180,320	
Creditors: amounts falling due within one year	8	(110,826)		(116,793)	
Net current assets			53,381		63,527
Total assets less current liabilities			53,582		63,927
Capital and reserves					
Profit and loss reserves			53,582		63,927

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 of directors and authorised for issue on 24/7/19 and are signed on its behalf by:

Mr S Clarke
Director

Company Registration No. 05505567

1 Accounting policies

Company information

Produced in Kent Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Rural Regeneration Centre, Blackmans Lane, Hadlow, Tonbridge, Kent, England, TN11 0AX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

The financial statements are prepared on a going concern basis. However, there are uncertainties relating to funding after 31 March 2020 as disclosed in note 10.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33.3% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies **(Continued)**

1.6 Impairment of fixed assets

At each reporting date, fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Operating (loss)/profit

	2019	2018
Operating (loss)/profit for the year is stated after charging:	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	3,450	3,345

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2018 - 8).

4 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 April 2018 and 31 March 2019	20,357
Depreciation and impairment	
At 1 April 2018	19,959
Depreciation charged in the year	199
At 31 March 2019	20,158
Carrying amount	
At 31 March 2019	199
At 31 March 2018	398

5 Fixed asset investments

	2019	2018
	£	£
Investments	2	2

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 April 2018 & 31 March 2019	2
Carrying amount	
At 31 March 2019	2
At 31 March 2018	2

6 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Kentish Fare Limited	Rural Regeneration Centre Blackmans Lane, Hadlow, Tonbridge, Kent TN110AX	Dormant	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Kentish Fare Limited	-	2

7 Debtors

	2019	2018
Amounts falling due within one year:	£	£
Trade debtors	47,098	66,114
Corporation tax recoverable	993	-
Other debtors	11,392	1,711
	59,483	67,825

	2019	2018
Amounts falling due after more than one year:	£	£
Deferred tax asset	218	236
Total debtors	59,701	68,061

8 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	72,237	64,542
Corporation tax	-	993
Other taxation and social security	-	630
Other creditors	38,589	50,628
	110,826	116,793

9 Company status

The company is a company limited by guarantee and not having a share capital. Every member of the company undertakes to contribute in a winding up a sum not exceeding £1 whilst they are a member, or within one year after ceasing to be a member, towards debts and liabilities contracted before ceasing to be a member.

10 Events after the reporting date

Since 31 March 2019, Hadlow College have ceased their contribution to the company with effect from 1 June 2019. As a result the total contribution from Hadlow College to the company in the year to 31 March 2020 will amount to £6,667, instead of the anticipated £40,000.

The contribution from Kent County Council of £60,000 is not affected by this decision and confirmation that this will continue until 31 March 2020 has been received.

The company is currently looking at other avenues of funding to compensate for the loss of revenue resulting from the withdrawal of funding from Hadlow College.

11 Related party transactions

During the year ended 31 March 2019 the company received funding from Kent County Council, a member of the company, in respect of operational costs amounting to £60,000 (2018: £60,000). As at 31 March 2019, £30,000 (2018: £30,000) was due from Kent County Council. Staff costs payable to Kent County Council for the year amounted to £99,172 (2018: £99,125) of which £49,532 (2018: £49,362) remained outstanding at the year end.

The company also received income during the year from Hadlow College, also a member of the company, amounting to £40,000 (2018: £40,000). The premises occupied by the company during the year to 31 March 2019 were rented from Hadlow College free of charge (2018: free of charge). No balances were due to or from Hadlow College at the year end.

REGISTERED NUMBER: 09262594 (England and Wales)

Financial Statements

for the Year Ended 31 December 2019

for

Trics Consortium Limited

Contents of the Financial Statements
for the Year Ended 31 December 2019

Trics Consortium Limited

Company Information
for the Year Ended 31 December 2019

DIRECTORS:	N Rabbets M A Hogben W A Sayers K Travers A P Jack M K Green S Shaw
REGISTERED OFFICE:	County Hall Penrhyn Road Kingston Upon Thames KT1 2DN
REGISTERED NUMBER:	09262594 (England and Wales)
AUDITORS:	Hunter Accountants Chartered Accountants and Statutory Auditors 3 Kings Court Little King Street Bristol Somerset BS1 4HW

Trics Consortium Limited (Registered number: 09262594)

Balance Sheet
31 December 2019

	Notes	31.12.19 £	31.12.18 £
FIXED ASSETS			
Intangible assets	4	438,581	366,826
Tangible assets	5	5,508	6,441
		444,089	373,267
CURRENT ASSETS			
Debtors	6	250,131	221,888
Cash at bank and in hand		704,080	677,775
		954,211	899,663
CREDITORS			
Amounts falling due within one year	7	(538,013)	(504,352)
NET CURRENT ASSETS		416,198	395,311
TOTAL ASSETS LESS CURRENT LIABILITIES		860,287	768,578
CAPITAL AND RESERVES			
Called up share capital		225,000	225,000
Share premium	9	364,500	364,500
Retained earnings	9	270,787	179,078
SHAREHOLDERS' FUNDS		860,287	768,578

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 15 April 2020 and were signed on its behalf by:

N Rabbets - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2019

1. **STATUTORY INFORMATION**

Trics Consortium Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover
Turnover represents net invoiced sale of goods from ordinary activities, stated after trade discounts, other sales taxes and net of value added tax

Intangible fixed assets
Intangible Assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is provided to write off the cost less estimated residual value of each asset over the following useful lives

Intellectual Property Rights (Surveys) - 7 Years

Intellectual Property Rights (System) - 5 Years

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Computer Equipment and Fixtures and Fittings - 25% Reducing Balance

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 6 (2018 - 5) .

continued...

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 January 2019	1,092,742
Additions	276,010
At 31 December 2019	1,368,752
AMORTISATION	
At 1 January 2019	725,916
Charge for year	204,255
At 31 December 2019	930,171
NET BOOK VALUE	
At 31 December 2019	438,581
At 31 December 2018	366,826

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2019	13,944
Additions	903
At 31 December 2019	14,847
DEPRECIATION	
At 1 January 2019	7,503
Charge for year	1,836
At 31 December 2019	9,339
NET BOOK VALUE	
At 31 December 2019	5,508
At 31 December 2018	6,441

continued...

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19	31.12.18
	£	£
Trade debtors	234,235	182,409
Other debtors	15,896	39,479
	250,131	221,888

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19	31.12.18
	£	£
Trade creditors	33,933	71,948
Taxation and social security	216,154	193,570
Other creditors	287,926	238,834
	538,013	504,352

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.19	31.12.18
	£	£
Within one year	20,500	29,171
Between one and five years	82,000	-
	102,500	29,171

9. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 January 2019	179,078	364,500	543,578
Profit for the year	633,456	-	633,456
Dividends	(541,747)	-	(541,747)
At 31 December 2019	270,787	364,500	635,287

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

David Hunter BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of Hunter Accountants

continued...

11. **RELATED PARTY DISCLOSURES**

Turnover for the year includes the following amounts in connection with councils that are associated with the company.

Dorset County Council - TRICS Licence - Income to TRICS - £3,340

East Sussex County Council - TRICS Licence - Income to TRICS - £3,340

West Sussex County Council - TRICS Licence - Income to TRICS - £3,340

Hampshire County Council - TRICS Licence - Income to TRICS - £3,340

Kent County Council - TRICS Licence - Income to TRICS - £3,340

Surrey County Council - TRICS Licence - Income to TRICS - £3,340

12. **ULTIMATE CONTROLLING PARTY**

By virtue of the shareholdings there is no controlling party.

REGISTERED NUMBER: 06523286 (England and Wales)

Report of the Directors and

Financial Statements

for the Year Ended 31 March 2019

for

Kent PFI Holdings Company 1 Limited

Contents of the Financial Statements
for the year ended 31 March 2019

Kent PFI Holdings Company 1 Limited

Company Information
for the year ended 31 March 2019

DIRECTORS:	J A Hansen A J Trow D C Ward J L Lee
REGISTERED OFFICE:	3 More London Riverside London SE1 2AQ
REGISTERED NUMBER:	06523286 (England and Wales)
AUDITOR:	KPMG LLP One Snowhill Snow Hill Queensway Birmingham B4 6GH

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

Report of the Directors
for the year ended 31 March 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of a holding company. The Company has been established for the single purpose of holding shares in a subsidiary company and generating a pledge over such shares to a third party lender. The Company provides subordinated debt to its subsidiary undertaking, Kent PFI Company 1 Limited.

REVIEW OF BUSINESS
The profit for the financial year of £273,000 (2018: £197,000) has been transferred to reserves.

Both the level of business and the year end financial positions were in line with budgets and expectations.

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

FUTURE DEVELOPMENTS
The company will continue to act as holding company to Kent PFI Company 1 Limited.

PRINCIPAL RISKS AND UNCERTAINTIES
The principal risks facing the business are that the value of investment in the undertaking, which is dependent on the success of the underlying project, might be less than anticipated and the risk that Kent PFI Company 1 Limited might have to inject cash into the undertaking to maintain its value. The directors manage this risk through close involvement in the management of the underlying project and regular monitoring of its performance.

DIVIDENDS
The directors have authorised the payment of an interim dividend of £273,000 (2018: £197,000).

FUTURE DEVELOPMENTS
There have been no material post balance sheet events which would require disclosure or adjustment to these financial statements.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

J A Hansen
A J Trow
D C Ward

Other changes in directors holding office are as follows:

C M Head - resigned 27 April 2018
J L Lee - appointed 27 April 2018

DISCLOSURE OF INFORMATION TO THE AUDITOR
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the company's auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

ON BEHALF OF THE BOARD:

....
A J Trow - Director

Date: 31/07/19

Statement of Directors' Responsibilities
for the year ended 31 March 2019

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate 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. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of
Kent PFI Holdings Company 1 Limited

Opinion
We have audited the financial statements of Kent PFI Holdings Company 1 Limited for the year ended 31 March 2019 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern
The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report
The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.
Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:
- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities
As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of
Kent PFI Holdings Company 1 Limited

Auditor's responsibilities
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities
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.

James Tracey (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Date: 31 July 2019

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

Statement of Comprehensive Income
for the year ended 31 March 2019

	Notes	2019 £'000	2018 £'000
TURNOVER		-	-
OPERATING PROFIT	3	-	-
Income from shares in group undertakings	4	273	197
Interest receivable and similar income	5	856	866
Interest payable and similar expenses	6	(856)	(866)
PROFIT BEFORE TAXATION		273	197
Tax on profit	7	-	-
PROFIT FOR THE FINANCIAL YEAR		273	197
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		273	197

The notes form part of these financial statements

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

Balance Sheet
31 March 2019

	Notes	2019 £'000	2018 £'000
FIXED ASSETS			
Investments	9	10	10
CURRENT ASSETS			
Debtors	10	7,521	7,634
CREDITORS			
Amounts falling due within one year	11	(571)	(538)
NET CURRENT ASSETS		6,950	7,096
TOTAL ASSETS LESS CURRENT LIABILITIES		6,960	7,106
CREDITORS			
Amounts falling due after more than one year	12	(6,950)	(7,096)
NET ASSETS		10	10
CAPITAL AND RESERVES			
Retained earnings		-	-
Called up share capital	13	10	10
SHAREHOLDERS' FUNDS		10	10

The financial statements were approved by the Board of Directors on 31/07/19 and were signed on its behalf by:

A J Trow - Director

Kent PFI Holdings Company 1 Limited (Registered number: 06523286)

Statement of Changes in Equity
for the year ended 31 March 2019

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2017	10	-	10
Changes in equity			
Dividends	-	(197)	(197)
Total comprehensive income	-	197	197
Balance at 31 March 2018	10	-	10
Changes in equity			
Dividends	-	(273)	(273)
Total comprehensive income	-	273	273
Balance at 31 March 2019	10	-	10

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31 March 2019

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
These financial statements have been prepared under the historical cost convention and in accordance with UK Accounting Standards, and are presented in pound sterling which is the functional currency of the company rounded to nearest £'000.

Statement of compliance
Kent PFI Holdings Company 1 Limited is a limited company incorporated in England. The Registered Office is 3 More London Riverside, London SE1 2AQ. The financial statements have been prepared in compliance with FRS 102 and the Companies Act 2006 for the year ended 31 March 2019.The amendments to FRS 102 issued in July 2015 and effective immediately have been applied.

Financial Reporting Standard 102 - reduced disclosure exemptions
The company is a qualifying entity as defined by FRS 102. Consequently, the company has taken advantage of the disclosure exemption set out in Section 1.12 not to prepare a statement of cashflows.

Preparation of consolidated financial statements
The financial statements contain information about Kent PFI Holdings Company 1 Limited, as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in consolidated financial statements of its International Public Partnerships Limited Partnership.

Going concern
The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The directors believe the going concern basis to be appropriate as Kent PFI Company 1 Limited has committed banking facilities to cover all projected expenditure during construction and is sufficiently cash generative thereafter to fully repay the debt and other expenses.

Investments
Investments are stated at cost less provision for any impairment in value.

Related party disclosures
The company has taken advantage of the exemption in Section 33.1 A Related Party Disclosures not to disclose related party transactions between two or more members of a group provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Short term debtors and creditors
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in the administrative expenses.

Interest receivable and similar income
Interest receivable is credited to the profit and loss account as it is earned.

Interest payable and similar charges
Interest payable is charged to the profit and loss account as it is incurred.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

There are no significant accounting estimates or judgements required in the preparation of these financial statements.

2. **EMPLOYEES AND DIRECTORS**

The company has no employees and hence there were no staff costs for the year ended 31 March 2019 (2018: £nil).

3. OPERATING PROFIT

The directors received no salary, fees or other benefits in the performance of their duties in respect of their services to the company (2018: £nil).

The audit fee of £1,000 (2018: £1,000) for the company is borne by Kent PFI Company 1 Limited.

4. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2019 £000	2018 £000
Dividends received from subsidiary undertaking	273	197

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2019 £000	2018 £000
Interest receivable from subsidiary undertaking	856	868

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019 £000	2018 £000
Interest payable to parent undertaking	856	868
	856	868

7. TAXATION

Analysis of the tax charge
No liability to UK corporation tax arose for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £'000	2018 £'000
Profit before tax	273	197
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	52	37
Effects of:		
Income not taxable for tax purposes	(52)	(37)
Total tax charge	-	-

Factors that may affect future tax charges
A reduction in the UK corporation tax rate from 19% to 18% (effective 1 April 2020) was substantively enacted on 26 October 2015 and an additional reduction to 1% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. There is no recognised or unrecognised deferred tax asset (2018: £nil).

8. DIVIDENDS

	2019 £'000	2018 £'000
Ordinary shares of 1 each		
Final	273	197

9. FIXED ASSET INVESTMENTS

	Interest in subsidiary undertakings £'000
COST	
At 1 April 2018 and 31 March 2019	10
NET BOOK VALUE	
At 31 March 2019	10
At 31 March 2018	10

Shares in subsidiary undertaking represent a holding of 100% of the ordinary share capital of Kent PFI Company 1 Limited. This company is incorporated in the United Kingdom, registered at 3 More London Riverside, London, SE1 2AQ and its sole purpose is the design, build, maintenance and operation of a series of schools in the Kent area.

10. DEBTORS

	2019 £'000	2018 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	571	538
Amounts falling due after more than one year:		
Amounts owed by group undertakings	6,950	7,096
Aggregate amounts	7,521	7,634

Amounts owed by group undertakings are repayable in instalments on or before September 2035. The loan is unsecured and bears interest at 12%.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Amounts owed to group undertakings	331	312
Amounts owed to participating interests	240	226
	571	538

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £'000	2018 £'000
Amounts owed to group undertakings	4,031	4,116
Amounts owed to participating interests	2,919	2,980
	6,950	7,096

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

Amounts owed to group undertakings comprise loan stock of £4,116,000 (2018: £4,223,000) from Building Schools for the Future Investments LLP. Amounts owed to participating interests comprise of £2,980,000 (2018: £2,980,000) from Kent County Council. These borrowings bear interest at 12% per annum and are repayable in instalments on or before September 2035. There was £425,000 (2018: £431,000) of accrued interest on these loans outstanding at the year end.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
10,000	Ordinary	1	10,000	10,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

14. RESERVES

	Retained earnings £'000
Profit for the year	273
Dividends	(273)
At 31 March 2019	-

15. RELATED PARTY DISCLOSURES

During the year ended 31 March 2019, the company recognised interest of recognised interest of £360,000 (2018: £364,000) during the year payable to Kent County Council, which has significant influence in the company. The company owed Kent County Council £178,000 (2018: £181,000) at the year end.

16. ULTIMATE CONTROLLING PARTY

The directors regard Building Schools for the Future Investments LLP, an entity incorporated in England and Wales as the immediate parent undertaking and controlling party and International Public Partnerships Limited a company registered in Guernsey as the ultimate parent undertaking and controlling party. Copies of the consolidated financial statements of International Public Partnerships Limited Partnership (the smallest and largest group of which the company is a member and for which group financial statements are prepared) can be obtained from the registered address at 3 More London Riverside, London, SE1 2AQ.