

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
NORTHAMPTON TOWN CENTRE LTD**

DRAFT

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

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	0
Income Statement	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11
Detailed Income and Expenditure Account	13

DRAFT

NORTHAMPTON TOWN CENTRE LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019**

DIRECTORS:

S P Brown
B M Bruder
A Cruden
L P Ducommun Dit Verron
A K Harland
F Kelly-Jeans
J Nunn
K Reynolds
J J B Richardson
D Roberts
J S Sheinman
A J Q Smith
G G Willis

REGISTERED OFFICE:

Town Centre House
7-8 Mercer Row
Northampton
NN1 2QL

REGISTERED NUMBER:

07461799 (England and Wales)

AUDITORS:

DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
NN1 5AJ

BANKERS:

HSBC
Abington Street
Northampton
Northamptonshire
NN1 1HB

**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 running Northampton Town Centre Business Improvement District ('BID').

REVIEW OF BUSINESS

The total income for the period was £328,120 (compared with £277,118 to 31 March 2018). The main source of income was from a levy on non-charitable business rate payers in the town centre of Northampton with a rateable value exceeding £5,000 in January 2018.

The total expenditure for the period was £268,908 (compared with £313,535 in the year to 31 March 2018). This has produced an income surplus of £59,212 for the year (compared with a deficit of £36,417 for the year to 31 March 2018). Part of this underspend is due to the resignation of one BID Host in the summer of 2018 and a replacement was not recruited until after the end of this BID financial year.

DIRECTORS

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

B M Bruder
A Cruden
L P Ducommun Dit Verron
A K Harland
J Nunn
J J B Richardson
D Roberts
J S Sheinman
A J Q Smith
G G Willis

Other changes in directors holding office are as follows:

S P Brown - appointed 19 September 2018
F Kelly-Jeans - appointed 19 September 2018
K Reynolds - appointed 19 September 2018
D M French - resigned 4 May 2018
M D Gawel - resigned 27 July 2018

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

BID STRATEGY AND OBJECTIVES

Following a successful renewal, the new Northampton town centre Business Improvement District (BID) started on the 1st January 2016. This is a challenging time, but businesses by working together can help to shape and influence the future of our great town.

The Vision

To develop the town centre into a quality destination with a clear identity, which provides opportunities for good quality retail niches, specialists and independents, which respects and nurtures its professional services, celebrates its attractive, diverse leisure and cultural offer, builds upon the town centre's heritage and looks to the future.

Strategic Objectives and Projects

The Board looks to build on relationships that have been built up over the years with a wide range of partners, and in doing so to fully participate in new initiatives to address the opportunities and challenges in Northampton town centre. Prudent management has enabled reserves to be retained for the furtherance of the Company's objectives. Funds are now in place for Northampton Town Centre BID to navigate the next few years of change. This gives us the ability to work with partners and to participate in activities, including the exciting Northampton Forward initiative, which will make a positive contribution towards the future of Northampton town centre's prosperity.

The program of investment will be delivered through the three strategic objectives and their related projects.

Objective 1: Promotion of Northampton town centre and its businesses

To **develop, build awareness and promote, locally and regionally, the identity** of Northampton town centre and the strengths of its different business sectors: retail and health and beauty, culture and leisure and professional services.

Objective 2: Develop the Northampton town centre experience

To **create a sense of 'place'** for visitors and people working in the town centre to enjoy.

Objective 3: Business Growth and Investment in Northampton town centre

To **encourage growth, development and investment of businesses** which complement and build on the strengths of Northampton town centre.

ACTIVITIES PERFORMED IN 2018-2019

Levy receipts from 2018 / 2019 along with surplus funds from previous years have been invested in projects that include:

- Discover Northampton Summer magazine with discount vouchers- with 40 businesses taking part
- Independent Retailers month - featuring 20 businesses
- Town Centre Conference - attended by over 150 people
- Purple Flag award for night time excellence
- Mystery Shopping project and awards - with 45 businesses taking part
- Customer Excellence workshop
- Discover Northampton Christmas Magazine with discount vouchers - featuring 56 businesses
- Festive lighting motifs installed on lamp columns in town centre
- Shop Local Christmas campaign
- Tidy Days
- Parking lobbying
- Supporting community events
- Shoe plants community project
- Heritage Live activities
- Public Relations campaign in local/ regional printed, online and broadcast press
- Active social media campaign to promote projects and BID priorities
- Christmas Campaigns and the Prize Draws, Christmas Characters and entertainment and festival window competitions
- Town Centre Plan, Northampton Forward meeting with Borough Council and partners
- Footfall and Sales Monitor
- Window vinyl installations

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

- Lead sponsor of Northampton Music Festival
- Hosted Northampton town centre Street Circus
- BID Hosts to help communicate information on BID projects, give support and direction to shoppers and to report street care issues to Northampton Borough Council and Northamptonshire County Council for action
- Business groups meetings set up to gather business feedback and priorities

More information about the activities of Northampton Town Centre Ltd (Business Improvement District) in 2018/19 were outlined in an Annual Report document circulated with the levy invoices to businesses in March 2019. Copies are available online and from the BID offices.

FUTURE DEVELOPMENTS

The company has done extensive project planning in line with the BID objectives for delivery of projects from April 2019 - March 2020 has committed costs for these projects to be supported by the current reserve.

GOVERNANCE AND MANAGEMENT

Northampton Town Centre Business Improvement District (BID) is one of over 300 BIDs throughout the UK. It was created by businesses in the area, and all the projects are determined and steered by local businesses, in line with the BID Business Plan.

Northampton Town Centre Ltd is a company limited by guarantee. It is operated under its Memorandum and Articles of Association. It has no share capital and the liability of each member in the event of winding up is limited to £1. The BID is in year 4 of the second term of the BID.

During the year the focus of the company's activity has been the development of Northampton Town Centre Business Improvement District. This is being delivered within the requirements of the Business Improvement Districts (England) Regulations 2004.

The first 'BID Proposal' was adopted after a successful Ballot in October 2010.

On 21 January 2011 the company entered into an operating agreement with Northampton Borough Council. Northampton Borough Council arranges the collection of the BID Levy from business rate payers in the town centre on behalf of the BID.

The BID renewal ballot took place in October 2015 (for the full business plan, see <http://www.northamptonBID.co.uk/resources>).

The overall management of the company is the responsibility of the directors who are elected and co-opted under the terms of the Articles of Association. With the exception of one director nominated by Northampton Borough Council, directors retire by rotation at Annual General Meetings. The directors have been unpaid and have worked on Levy payers' behalf to deliver the BID and achievements to date.

The BID Chair is a joint position held by Andrea Smith and Brendan Bruder, and the Vice Chair is Dan Roberts.

The BID employs 2 external contractors - Alchemetrix (Rob Purdie) - who acts in the capacity of Executive Director, working alongside Partnerships for Better Business Ltd (pfbb UK) who provides a BID Project Manager. They work alongside the BID employed Hosts.

Membership of Northampton Town Centre Ltd is open to all levy payers, and is made up of business representatives from throughout the BID area. The board of the company consists of one nominee from Northampton Borough Council together with other Directors appointed by members of the company. It is responsible for the governance of the BID, ensuring that the objectives of the Northampton Town Centre BID business plan are met, and ensuring compliance with the legal and financial regulations governing BIDs.

The Board meets regularly throughout the year, and there is an Annual General Meeting which is usually held in September.

At the end of the year there were 776 BID Levy paying businesses and 58 BID Members.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 surplus or deficit 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;

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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, DNG Dove Naish LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

SIGNED BY ORDER OF THE DIRECTORS:

.....
A J Q Smith - Director

Date:

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

Notes	2019 £	2018 £
INCOME	328,120	277,118
Direct expenditure	<u>253,757</u>	<u>299,280</u>
GROSS SURPLUS/(DEFICIT)	74,363	(22,162)
Administrative expenses	<u>15,151</u>	<u>14,255</u>
OPERATING SURPLUS/(DEFICIT) and SURPLUS/(DEFICIT) BEFORE TAXATION	59,212	(36,417)
Tax on surplus/(deficit)	-	-
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	<u><u>59,212</u></u>	<u><u>(36,417)</u></u>

STATEMENT OF FINANCIAL POSITION
31 MARCH 2019

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors	4	41,652	8,542
Cash at bank and in hand		267,735	158,337
		<u>309,387</u>	<u>166,879</u>
CREDITORS			
Amounts falling due within one year	5	97,040	13,744
		<u>212,347</u>	<u>153,135</u>
NET CURRENT ASSETS			
		<u>212,347</u>	<u>153,135</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>212,347</u>	<u>153,135</u>
RESERVES			
Income and expenditure account		212,347	153,135
		<u>212,347</u>	<u>153,135</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

.....
 B M Bruder - Director

.....
 A J Q Smith - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Retained earnings £	Total equity £
Balance at 1 April 2017	189,552	189,552
Changes in equity		
Total comprehensive income	(36,417)	(36,417)
Balance at 31 March 2018	<u>153,135</u>	<u>153,135</u>
Changes in equity		
Total comprehensive income	59,212	59,212
Balance at 31 March 2019	<u><u>212,347</u></u>	<u><u>212,347</u></u>

DRAFT

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

1. STATUTORY INFORMATION

Northampton Town Centre Ltd 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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.

Significant judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies below.

Income

Income represents the total invoice value, excluding value added tax, of invoices raised during the year and represents the BID Levy and voluntary contributions.

Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

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 under administrative expenses.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to surplus or deficit 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

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

The average number of employees during the year was 12 (2018: 13) of which 1 was salaried staff and 11 were unpaid Directors.

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	120	120
VAT	4,266	8,422
Prepayments and accrued income	37,266	-
	<u>41,652</u>	<u>8,542</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	22,404	162
Social security and other taxes	181	-
Other creditors	44,594	431
Accruals and deferred income	29,861	13,151
	<u>97,040</u>	<u>13,744</u>

6. RELATED PARTY DISCLOSURES

The board of directors comprises representatives from the local business community and local authorities.

Gavin Willis Creative Marketing Ltd

A business in which Mr Willis (Director) is a director and member.

During the year the company engaged Gavin Willis Creative Marketing Ltd for services of £nil (2018 - £19,187). All transactions were carried out on an arm's length basis as per Northampton Town BID procurement policy.

7. LIMITED BY GUARANTEE

The company is limited by guarantee with each member guaranteeing an amount not exceeding one pound. As at 31 March 2019 the company had 51 members.

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	2019		2018	
	£	£	£	£
Income				
BID Levy 2011-2015 (BID Period 1)	4,145		20,697	
BID Levy 2016-2020 (BID Period 2)	323,475		255,921	
Voluntary Contributions	500		500	
	<u> </u>	328,120	<u> </u>	277,118
Direct expenditure				
Objective 1- Promotion	94,452		103,992	
Objective 2- Experience	68,160		102,946	
Objective 3- Growth	14,637		20,644	
Project management	65,719		60,909	
Levy collection costs	10,789		10,789	
	<u> </u>	253,757	<u> </u>	299,280
GROSS SURPLUS/(DEFICIT)		74,363		(22,162)
Expenditure				
Rent	3,992		5,250	
Insurance	1,406		1,865	
Light and heat	-		21	
Telephone	909		833	
Printing, postage and stationery	1,555		1,429	
Travelling	721		1,020	
Computer expenses	823		189	
Sundry expenses	24		-	
Accountancy	1,060		785	
Legal and professional	2,099		85	
Auditors' remuneration	2,449		2,655	
		<u>15,038</u>	<u> </u>	<u>14,132</u>
		59,325		(36,294)
Finance costs				
Bank charges		113		123
		<u> </u>		<u> </u>
NET SURPLUS/(DEFICIT)		<u>59,212</u>		<u>(36,417)</u>