

Company Registration No. 08166412 (England and Wales)

**COAST TO CAPITAL**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**  
**PAGES FOR FILING WITH REGISTRAR**

# COAST TO CAPITAL

## COMPANY INFORMATION

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### Directors

Mr S B Allen  
Mr D Gayler  
Mrs L M Goldsmith  
Mr M J Heffer  
Mr P E Jones  
Mr M La Rooy  
Mr R Shankar  
Mr T A Wates  
Mr D Hodge CBE  
Mrs J J Kapsalis  
Miss A Menahem  
Mr W Morgan  
Mr J O Sharrock  
Mr N Juba (Appointed 1 November 2016)  
Mr A J Newman (Appointed 12 May 2016)  
Professor D J Humphris (Appointed 1 July 2016)  
Mr G H Wall (Appointed 11 May 2017)

### Company number

08166412

### Registered office

One Bell Lane  
Lewes  
East Sussex  
BN7 1JU

### Auditor

Knill James  
One Bell Lane  
Lewes  
East Sussex  
BN7 1JU

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# COAST TO CAPITAL

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# COAST TO CAPITAL

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	4		10,422		15,995
Investments	5		-		136
			<u>10,422</u>		<u>16,131</u>
<b>Current assets</b>					
Debtors	6	160,796		72,239	
Investments	7	136		-	
Cash at bank and in hand		638,092		162,286	
		<u>799,024</u>		<u>234,525</u>	
<b>Creditors: amounts falling due within one year</b>	8	(395,682)		(130,072)	
<b>Net current assets</b>			<u>403,342</u>		<u>104,453</u>
<b>Total assets less current liabilities</b>			<u>413,764</u>		<u>120,584</u>
<b>Creditors: amounts falling due after more than one year</b>	9		(280,594)		-
<b>Net assets</b>			<u><u>133,170</u></u>		<u><u>120,584</u></u>
<b>Reserves</b>					
Income and expenditure account			<u><u>133,170</u></u>		<u><u>120,584</u></u>

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

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 7 September 2017 and are signed on its behalf by:



Mr T A Wates  
Director

Company Registration No. 08166412

# COAST TO CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Company information

Coast to Capital is a private company limited by guarantee incorporated in England and Wales. The registered office is One Bell Lane, Lewes, East Sussex, BN7 1JU.

#### 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, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of Coast to Capital prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Income and expenditure

Income arising in the period is analysed into either Operational Income or Central / Local Government Grant Funding. Operational Income includes arrangement fees received in connection with delivering loan monies from the Growing Places Fund. Costs directly attributable to specific projects are charged against this income and shown as an expense. Where the LEP incurs costs which may be partly attributable to Operational Income and partly to specific projects then the Board allocate such expenditure based on a fair and reasonable assessment of the time and cost expended on each project.

#### 1.3 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:

Furniture and fixtures	20% p.a. straight line
Office equipment	3 years 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 surplus or deficit.

#### 1.4 Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently carried at cost less provision for diminution in value. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in surplus or deficit.

# COAST TO CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.6 Cash and cash equivalents

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.

#### 1.7 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.

#### 1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# COAST TO CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2017**

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### **1 Accounting policies**

**(Continued)**

#### **1.9 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

#### **1.10 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### **2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### **3 Employees**

The headcount at year end year on year increased from 15 to 27. The average monthly number of persons (including directors) employed by the company during the year was 23. The increase in costs year on year is because the Growth Hub was brought in house (outsourced in 2015/16), the expansion of the EAN service, the expansion of ESF and the recruitment of a Chief Operating Officer.

# COAST TO CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 April 2016 and 31 March 2017	34,708
<b>Depreciation and impairment</b>	
At 1 April 2016	18,713
Depreciation charged in the year	5,573
At 31 March 2017	24,286
<b>Carrying amount</b>	
At 31 March 2017	10,422
At 31 March 2016	15,995

### 5 Fixed asset investments

	2017 £	2016 £
Investments	-	136



# COAST TO CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 5 Fixed asset investments

(Continued)

#### Movements in fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost or valuation</b>	
At 1 April 2016	136
Transfer to current assets	(136)
	<hr/>
At 31 March 2017	-
	<hr/>
<b>Carrying amount</b>	
At 31 March 2017	-
	<hr/>
At 31 March 2016	136
	<hr/>

Fourshore (HOT) Limited and Fourshore (OFF) Limited, in which the company owns 40% of the Ordinary share capital, were created as special purpose vehicles in connection with a significant property development which is being funded through the Growing Places Fund.

As at the year end, £3,780,355 had been drawn down from the London Borough of Croydon, the Accountable Body. The loan has not been recognised in these financial statements because it does not meet the definition of an asset under FRS 102 section 17 by virtue of the fact that all capital repayments are made to the Accountable Body and consequently no economic benefit will derive from the loan to Coast to Capital. The loans are secured by mortgages over the assets, including the land acquired for the development, of the two companies. In addition, the shares have been given as security in relation to a funding facility of £10.7m from the UBS Participating Real Estate Fund.

The loan facility allows Coast to Capital to charge interest at 3.75% on the outstanding capital balance. However, no interest has been accrued in these financial statements because Coast to Capital can take the decision to waive the interest due at the end of the three year loan term.

The property development is nearing completion. An offer to purchase the LEPs 40% stake is currently being discussed with a view that completion will take place in September 2017, hence the transfer to current assets (note 7).

### 6 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Other debtors	160,796	72,239
	<hr/>	<hr/>

Other debtors includes grant funding for activities delivered in 2016/17 which at year end was not received (£131k) and year-end prepayments (£30k). The grant funding not received included DCLG (ERDF Technical Assistance £30k), West Sussex County Council (LGF Capital Maintenance Claim £69k), Careers and Enterprise Company (Enterprise Advisors Network £32k).

# COAST TO CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 7 Current asset investments

	2017 £	2016 £
Other investments	136	-

The company holds 40% of the Ordinary share capital of Fourshore (HOT) Limited and Fourshore (OFF) Limited.

### 8 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	69,740	60,513
Corporation tax	59,291	24,260
Other taxation and social security	31,023	19,769
Other creditors	235,628	25,530
	<u>395,682</u>	<u>130,072</u>

Other creditors includes deferred income (£94k) and year-end accruals (£142k). The deferred income relates to SEEDA Legacy Funding for Growth Hub 2017/2018 (£84k) and Digital Catapult Funding 2017/18 (£10k). The year-end accruals include West Sussex County Council Accountable Body (£117k), Lewes District Council Newhaven Enterprise Zone (£7k), SFA/WSCC Embedding Enterprise in Education (£6k) and other accruals (£12k).

### 9 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	280,594	-

Other creditors includes deferred income relating to SEEDA Legacy Funding for Growth Hub 2018/2021 (£281k).

### 10 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

# COAST TO CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Nicholas Rawson FCA.

The auditor was Knill James.

#### 12 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2017	2016
£	£
28,657	41,382
<u>28,657</u>	<u>41,382</u>