

SEERA LIMITED
Company Limited by Guarantee
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

Company Registration Number 4070332

Tenon Limited
Accountants & Business Advisers
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2 to 3
Independent auditor's report to the members	4 to 5
Income and expenditure account	6
Statement of total recognised gains and losses	7
Balance sheet	8
Notes to the financial statements	9 to 14
The following pages do not form part of the statutory financial statements	
Detailed income and expenditure account	16
Notes to the detailed income and expenditure account	17
Management balance sheet	18

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

YEAR ENDED 31 MARCH 2007

The board of directors

P Bevan
Cllr L A Bloom
I Chisnall
Cllr A Hopkins
D G Horner
Cllr K R Mitchell
Cllr D Turner

Company secretary

Ms D Pogson

Business address

Berkeley House
Cross Lanes
Guildford
Surrey
GU1 1UN

Registered office

Berkeley House
Cross Lanes
Guildford
Surrey
GU1 1UN

Auditor

Tenon Audit Limited
Registered Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Accountants

Tenon Limited
Accountants & Business Advisers
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Bankers

Lloyds TSB Bank Plc
Gracechurch House
23 - 25 Castle Way
Southampton
Hampshire
SO14 2BW

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2007

The directors present their report and the financial statements of the company for the year ended 31 March 2007.

Principal activities

The principal activity of the company continues to be the promotion of the economic, social and environmental well-being of all who live and work in the South East of England.

Directors

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

P Bevan
Cllr L A Bloom
I Chisnall
Cllr A Hopkins
D G Horner
Cllr K R Mitchell
Cllr R Tallack
Cllr D Turner

Cllr L A Bloom was appointed as a director on 12 July 2006.

Cllr R Tallack resigned as a director on 12 July 2006.

Cllr D Turner resigned as a director on 3 May 2007.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficiency 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2007

In so far as the directors, individually, are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Tenon Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the directors

Cllr K R Mitchell

Director

Approved by the directors on

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEERA
LIMITED**

YEAR ENDED 31 MARCH 2007

We have audited the financial statements of SEERA Limited for the year ended 31 March 2007 which comprise the Income and Expenditure account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

Respective responsibilities of directors and auditor

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEERA
LIMITED *(continued)***

YEAR ENDED 31 MARCH 2007

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2007 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Tenon Audit Limited
Registered Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Date:-

SEERA LIMITED
COMPANY LIMITED BY GUARANTEE
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2007

	Note	2007 £	2006 £
Income		4,223,920	4,086,085
Administrative expenses		(4,316,512)	(3,926,971)
Operating (deficit)/surplus	2	<u>(92,592)</u>	<u>159,114</u>
Interest receivable and similar income	4	95,843	65,657
Surplus on ordinary activities before taxation		<u>3,251</u>	<u>224,771</u>
Tax on surplus on ordinary activities	6	(13,350)	(10,685)
(Deficit)/surplus for the financial year		<u><u>(10,099)</u></u>	<u><u>214,086</u></u>

The notes on pages 9 to 14 form part of these financial statements.

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 MARCH 2007

	2007	<i>2006</i>
	£	£
(Deficit)/surplus for the financial year		
Attributable to the members	(10,099)	<i>214,086</i>
Actuarial gain/(loss) in respect of defined benefit pension scheme	196,000	<i>(52,000)</i>
	<hr/>	<hr/>
Total recognised gains and (losses) relating to the year	185,901	<i>162,086</i>
Prior year adjustment	–	<i>(380,694)</i>
	<hr/>	<hr/>
Total gains and (losses) recognised since the last annual report	<u>185,901</u>	<u><i>(218,608)</i></u>

The notes on pages 9 to 14 form part of these financial statements.

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Cash flow statement

The company has adopted the Financial Reporting Standard For Smaller Entities (2005) and is consequently exempt from the requirement to include a cash flow statement in the financial statements.

Income

Income represents subscriptions receivable for assembly memberships, contributions towards regional intelligence studies, income from assembly publications and direct funding from the Office of the Deputy Prime Minister. All income is exclusive of Value Added Tax.

Tangible fixed assets

Tangible fixed assets are stated at cost, being purchase price, less accumulated depreciation. Items costing less than £1,000 are written off as an expense as acquired.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, being purchase price or valuation, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Fixtures & Fittings - 25% - 33.3% straight line

Operating lease agreements

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

Pension costs and other post-retirement benefits

Contributions payable to the company's pension scheme are charged to the income and expenditure account so as to spread the cost of pensions over the service lives of employees in the scheme. The pension charge is calculated on the basis of actuarial advice.

Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value using an AA corporate bond rate.

Pension scheme assets are valued at market value at the balance sheet date.

The pension scheme deficit is recognised in full on the balance sheet.

No adjustment has been made in relation to deferred tax.

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

1. Accounting policies (continued)

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income and expenditure account.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Deferred government grants

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

2. Operating (deficit)/surplus

Operating (deficit)/surplus is stated after charging/(crediting):

	2007	2006
	£	£
Pension - current service costs	223,000	167,000
Pension - curtailments and settlements	48,000	-
Amortisation of government grants re fixed assets	(1,497)	(4,497)
Depreciation of owned fixed assets	42,951	43,630
(Profit)/loss on disposal of fixed assets	-	2,240
Auditor's fees	9,000	8,000
Net loss on foreign currency translation	3,101	-

3. Directors' emoluments

The directors' aggregate emoluments, including pension contributions, in respect of qualifying services were:

	2007	2006
	£	£
Aggregate emoluments	<u>153,621</u>	<u>150,780</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2007	2006
	No	No
Defined benefit schemes	<u>1</u>	<u>1</u>

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

4. Interest receivable and similar income

	2007	<i>2006</i>
	£	£
Bank interest receivable	71,816	54,657
Other similar income receivable	27	-
Net finance income in respect of defined benefit pension schemes	24,000	11,000
	<u>95,843</u>	<u>65,657</u>

5. Government grants

Grants totalling £3,381,000 (2006 - £3,274,000) were received from the Department of Community and Local Government during the year and was spent on revenue overheads. All associated expenditure was under the conditions of the funding agreement.

There were also amounts received totalling £11,411 (2006 - £36,849) in respect of INTERREG programmes. This expenditure was also incurred in line with funding agreements.

6. Taxation on ordinary activities

	2007	<i>2006</i>
	£	£
UK Corporation tax	13,650	10,685
(Over)/under provision in prior year	(300)	-
	<u>13,350</u>	<u>10,685</u>

7. Tangible fixed assets

	Fixtures & Fittings
	£
Cost	
At 1 April 2006	219,335
Additions	21,571
At 31 March 2007	<u>240,906</u>
Depreciation	
At 1 April 2006	149,844
Charge for the year	42,951
At 31 March 2007	<u>192,795</u>
Net book value	
At 31 March 2007	<u>48,111</u>
At 31 March 2006	<u>69,491</u>

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

8. Debtors

	2007	<i>2006</i>
	£	<i>£</i>
Trade debtors	81,384	<i>113,485</i>
VAT recoverable	77,062	<i>152,438</i>
Other debtors	40,379	<i>86,942</i>
	<u>198,825</u>	<u><i>352,865</i></u>

9. Creditors: Amounts falling due within one year

	2007	<i>2006</i>
	£	<i>£</i>
Trade creditors	367,628	<i>278,478</i>
Corporation tax	13,650	<i>10,685</i>
Other taxation and social security	–	<i>34,608</i>
Other creditors	94,837	<i>129,492</i>
	<u>476,115</u>	<u><i>453,263</i></u>

10. Pension cost notes

The company contributes to a Local Government Pension Scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company and are administered under an Admission agreement with East Sussex Pension Fund.

The contributions are determined annually by the administrators of the East Sussex Pension Fund based on a triennial actuarial valuation using the projected unit method and determined by a qualified actuary.

The company has applied the following financial assumptions in assessing the defined benefit liabilities.

	2007	2006	2005
	%	%	%
Rate of increase in salaries	4.7	4.6	4.4
Rate of increase in pensions in payment	3.2	3.1	2.9
Discount rate	5.4	4.9	5.4
Inflation assumption	3.2	3.1	2.9

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting surplus/(deficit) are:

	2007	<i>2006</i>	<i>2005</i>
	£	<i>£</i>	<i>£</i>
Total market value of assets	2,720,000	<i>2,320,000</i>	<i>1,610,000</i>
Present value of scheme liabilities	<u>(2,906,000)</u>	<u><i>(2,660,000)</i></u>	<u><i>(1,998,000)</i></u>
Net pension liability	<u>(186,000)</u>	<u><i>(340,000)</i></u>	<u><i>(388,000)</i></u>

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

10. Pension cost notes (continued)

An analysis of the movements in surplus/(deficit) during the year are shown below:

	2007	2006
	£	£
At 1 April	(340,000)	(388,000)
Total operating charge	(271,000)	(167,000)
Total other finance income	24,000	11,000
Actuarial (costs)/income recognised in the statement of total recognised gains and losses	196,000	(52,000)
Contributions	205,000	256,000
At 31 March	<u>(186,000)</u>	<u>(340,000)</u>

An analysis of the defined benefit cost follows:

Analysis of the amount charged to operating profit:

	2007	2006
	£	£
Current service cost	(223,000)	(167,000)
Pre-operating profit gains/(losses) on settlements or curtailments	(48,000)	-
Total operating charge	<u>(271,000)</u>	<u>(167,000)</u>

Analysis of the amount credited to finance income:

	2007	2006
	£	£
Expected return on assets in the scheme	162,000	124,000
Interest on pension scheme liabilities	(138,000)	(113,000)
Total finance income	<u>24,000</u>	<u>11,000</u>

Analysis of the amount recognised in statement of total recognised gains and losses:

	2007	2006
	£	£
Actual return less expected return on pension scheme assets	1,000	306,000
Experience gains/(losses) arising from scheme liabilities	(4,000)	8,000
Gain / (loss) arising from changes in assumptions underlying the present value of scheme liabilities	199,000	(366,000)
Actuarial gains/(losses)	<u>196,000</u>	<u>(52,000)</u>

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

11. Commitments under operating leases

At 31 March 2007 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2007	2006
	£	£
Operating leases which expire:		
Within 1 year	177,647	175,797
Within 2 to 5 years	11,632	-
	<u>189,279</u>	<u>175,797</u>

12. Company limited by guarantee

SEERA Limited is a company limited by guarantee and has no share capital. As at 31 March 2007 there were 112 members whom, on a winding up of the company, have undertaken to contribute up to £1 each towards any deficit.

13. Reconciliation of shareholders' funds and movement on reserves

	Income and expenditure account
	£
Balance brought forward	592,038
Deficit for the year	(10,099)
Defined benefit pension scheme	196,000
Balance carried forward	<u>777,939</u>

14. Control

The company is controlled by its 112 members. These are nominated by the region's local authorities and other stakeholders, including business, arts and culture, education, faith groups, community, voluntary and environmental organisations.

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2007

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 4 to 5.**

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

DETAILED INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2007

	2007	<i>2006</i>
	£	£
Income		
Subscriptions	682,165	<i>682,166</i>
DCLG Grant	3,381,000	<i>3,274,000</i>
Regional Intelligence	106,690	<i>51,590</i>
SEERAWP	28,000	<i>39,821</i>
Other income	26,065	<i>38,508</i>
	<u>4,223,920</u>	<u><i>4,086,085</i></u>
Overheads		
Administrative expenses	(4,199,013)	<i>(4,054,826)</i>
Operating surplus, excluding FRS 17	24,907	<i>31,259</i>
Interest receivable	71,843	<i>54,657</i>
Surplus on ordinary activities, excluding FRS 17	96,750	<i>85,916</i>
FRS 17 Adjustments		
Current service cost adjustment	(69,499)	<i>127,855</i>
Curtailments and settlements	(48,000)	<i>-</i>
Net finance income	24,000	<i>11,000</i>
Surplus on ordinary activities	<u>3,251</u>	<u><i>224,771</i></u>

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE DETAILED INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2007

	2007		2006	
	£	£	£	£
Administrative expenses				
Personnel costs				
Directors salaries	153,039		150,233	
Wages and salaries	1,360,557		1,250,436	
Staff national insurance contributions	132,224		111,853	
Pension contributions paid	153,501		294,855	
		1,799,321		1,807,377
Establishment expenses				
Rent	189,089		208,853	
Equipment repairs and sundry replacements	41,387		35,125	
		230,476		243,978
General expenses				
Travel and subsistence	49,109		36,102	
Regional Intelligence	999,659		608,481	
Communication	163,759		342,954	
Publications	167,080		303,641	
Telephone	25,099		25,977	
Printing and stationery	46,124		38,430	
Postage	27,066		22,990	
Staff training	59,104		25,019	
Recruitment	68,479		74,570	
Other costs	23,925		29,960	
Allowances	47,264		31,554	
Scrutiny	54,776		48,432	
SEERAWP contract expenses	29,597		27,767	
Meetings	117,437		99,576	
Joint appointments	180,697		153,000	
Professional costs	65,486		56,489	
Depreciation of fixtures and fittings	42,951		43,630	
Capital grant recognised	(1,497)		(4,497)	
Loss on disposal of fixed assets	-		2,240	
		2,166,115		2,003,471
Financial costs				
Foreign currency gains		3,101		-
		4,199,013		4,054,826
Interest receivable				
Bank interest receivable		71,816		54,657
Other interest receivable				
Other interest receivable		27		-

**SEERA LIMITED
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT BALANCE SHEET

31 MARCH 2007

	£	2007 £	£	2006 £
Fixed assets				
Tangible assets		48,111		69,491
Current assets				
Trade debtors	81,384		113,485	
Other debtors	9,852		10,450	
VAT recoverable	77,062		152,438	
Prepayments and accrued income	30,527		76,492	
Cash at bank and in hand	1,193,118		962,945	
	<u>1,391,943</u>		<u>1,315,810</u>	
Creditors: Amounts falling due within one year				
Trade creditors	367,628		278,478	
Corporation tax	13,650		10,685	
PAYE & NI payable	–		34,608	
Other creditors	–		192	
Accruals and deferred income	94,837		129,300	
	<u>476,115</u>		<u>453,263</u>	
Net current assets		915,828		862,547
Net assets excluding pension liability		<u>963,939</u>		<u>932,038</u>
Pension liability		(186,000)		(340,000)
Net assets including pension liability		<u>777,939</u>		<u>592,038</u>
Capital and reserves				
Profit and loss account		<u>777,939</u>		<u>592,038</u>