

**Accounts of Lancashire County Developments Limited 2014/15**  
(Appendix 'A' refers)

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**Executive Summary**

This report sets out the Financial Statements of Lancashire County Developments Limited for 2014/15.

**Recommendation**

The Committee is requested to note the 2014/15 Statement of Accounts for Lancashire County Developments Limited.

**Background and Advice**

Lancashire County Developments Limited (LCDL) is the council's economic development company and is focussed on delivery in line with the County Council's Economic Development Framework.

On 17 July 2003, the Full Council, on the recommendation of the Cabinet, resolved that the Lancashire County Developments Limited audited Statement of Accounts be reported to the Audit Committee for information.

An overview of 2014/15 for the company by its Chair may be seen on pages 3 and 4 of the Financial Statements for LCDL, which are attached at Appendix 'A'. Beryl Rhodes, LCDL Head of Finance, will attend the meeting to respond to any questions.

The LCDL Group of Companies are legally required to have their financial records audited annually. The appointed Auditors are Grant Thornton Chartered Accountants.

**Key Points within the Statutory Accounts**

The following points summarise the key points from the 2013/14 financial year (ending on 31 March 2014)

1. LCDL Group profit pre-tax was £660,600 for the period

2. The major reasons for this profit were a £391k profit on sale of fixed assets and a lower than anticipated expenditure on economic development projects. The profit on sale of fixed assets comprises the profit on the sale of shares in Plant Impact and the profit made on the disposal of the Church Street property.
3. The company's property portfolio was revalued at 31 March 2015 and this gave rise to an increase in value of the remaining properties of £5m. The increase was across all three remaining sites, with Leyland increasing by £2.8m, White Cross by £1.7m and Rising Bridge by £0.5m.
4. The Balance sheet net worth of the LCDL Group of companies totalled £45,320,485 as at 31 March 2015.

### **Audit Findings Report:**

1. There are no material findings and no misstatements reported.
2. There are two recommendations included:
  - a. to help improve the internal control of journal authorisation; and
  - b. To ensure cheques are not raised before year end and then posted after year end.

Both these points have been addressed by management.

The report and accounts was submitted to the LCDL Audit Committee, who recommended the accounts to the Board for signature. The accounts have subsequently been approved for signature by the LCDL Board and have been filed at Companies House.

### **Consultations**

N/A

### **Implications:**

This item has the following implications, as indicated:

### **Risk Management**

No significant risks have been identified

### **Local Government (Access to Information) Act 1985**

#### **List of Background Papers**

Paper	Date	Contact/Directorate/Ext
Financial Statements	2014/15	Beryl Rhodes, LCDL Tel : 01772 533603
Reason for inclusion in Part II, if appropriate		
N/A		