

**Audit and Governance Committee**  
Meeting to be held on 26 January 2015

Electoral Division affected: All
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**Accounts of Lancashire County Developments Limited 2013/14**  
(Appendix 'A' refers)

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**Executive Summary**

This report sets out the Financial Statements of Lancashire County Developments Limited for 2013/14.

**Recommendation**

The Committee is requested to note the 2013/14 Statement of Accounts for Lancashire County Developments Limited.

**Background**

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 the 17th 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 2013/14 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 Commercial and Central 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.

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

1. LCDL Group pre-tax profit was £1,065,669 for the period.
2. The major reasons for this profit were a £200k reduction in provisions for investments and a lower than anticipated expenditure on economic development projects. The reduction in investment provision results mainly from the change in the profile of the investments being made.
3. The company's property portfolio was revalued at 31<sup>st</sup> March 2014 and this gave rise to an increase in value from £25.9m to £31.4m. This reflects the completion of the new building at Leyland following the fire and a small rise in the value of the existing buildings on all sites.
4. The Balance sheet net worth of the LCDL Group of companies totals £39,629,889 as at 31<sup>st</sup> March 2014.

#### Audit Findings Report:

1. There were no material findings and no misstatements reported.
2. The Auditors continue to require updates on the Contingent liability position with regard to Public Liability claims following the fire at Leyland

The report and accounts were 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 are currently awaiting the completion of final checks by the auditors before being filed at Companies House.

#### **Consultations**

N/A

#### **Advice**

N/A

#### **Implications**

N/A

#### **Risk Management**

N/A

**Local Government (Access to Information) Act 1985**  
**List of Background Papers**

Paper	Date	Contact/Directorate/Ext
Financial Statements working papers	2011/12	Beryl Rhodes, LCDL Tel : 01772 533603
Reason for inclusion in Part II, if appropriate		
N/A		