

NW FIRECONTROL LTD
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

NW FIRECONTROL LTD

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for the Year Ended 31 March 2010**

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NW FIRECONTROL LTD
COMPANY INFORMATION
for the Year Ended 31 March 2010

DIRECTORS:

Clr F B Walker
Clr D M O'Toole
Clr T Newman
Clr J Joyce
Clr G B Strong
Clr E Johnson
Clr J S C Shedwick
Clr W Bleasdale
Clr P Shannon
Clr D Hanratty

SECRETARY:

Mrs F R Hodson

REGISTERED OFFICE:

NW RCC Lingley Mere Business Park
Lingley Green Avenue
Warrington
Cheshire
WA5 3UZ

REGISTERED NUMBER:

06314891 (England and Wales)

AUDITORS:

Fairhurst
Registered Auditors
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

NW FIRECONTROL LTD

REPORT OF THE DIRECTORS for the Year Ended 31 March 2010

The directors present their report with the financial statements of the company for the year ended 31 March 2010.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of preparing for the operation of a regional control centre covering the fire and rescue authority areas of Cheshire, Cumbria, Greater Manchester, Lancashire and Merseyside.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2009 to the date of this report.

Cllr D M O'Toole
Cllr T Newman
Cllr J Joyce
Cllr G B Strong

Other changes in directors holding office are as follows:

Cllr F B Walker - appointed 21 October 2009
Cllr P Shannon - resigned 21 October 2009
Cllr R Wilkinson - resigned 15 July 2009
Cllr M Byram - resigned 3 April 2009
Cllr A Clark - resigned 15 July 2009
Cllr E Johnson - appointed 3 April 2009
Cllr J J Pearson - appointed 25 June 2009
Cllr J S C Shedwick - appointed 13 July 2009
Cllr W Bleasdale - appointed 24 July 2009
Cllr S Niblock - appointed 15 June 2009

Cllr P Shannon and Cllr D Hanratty were appointed as directors after 31 March 2010 but prior to the date of this report.

Cllr J J Pearson and Cllr S Niblock ceased to be directors after 31 March 2010 but prior to the date of this report.

The Company is limited by guarantee and does not have any share capital.

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 profit or loss 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;
- 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 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.

NW FIRECONTROL LTD

**REPORT OF THE DIRECTORS
for the Year Ended 31 March 2010**

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.

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

ON BEHALF OF THE BOARD:

G B Strong
Director -

Date: 23/07/10

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NW FIRECONTROL LTD

We have audited the financial statements of NW Firecontrol Ltd for the year ended 31 March 2010 on pages six to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NW FIRECONTROL LTD**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the Report of the Directors in accordance with the small companies' regime.

J J Weston FCCA (Senior Statutory Auditor)
for and on behalf of Fairhurst
Registered Auditors
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Date: 27 July 2010

NW FIRECONTROL LTD

**PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 2010**

		Year Ended 31/3/10		Period 1/8/08 to 31/3/09	
Notes	£	£	£	£	£
TURNOVER			17,085		-
Cost of sales			15,225		-
GROSS PROFIT			1,860		-
Administrative expenses			2,098,902		784,827
			(2,097,042)		(784,827)
Other operating income			2,134,488		786,227
OPERATING PROFIT	2		37,446		1,400
Interest receivable and similar income		30,265		-	
Other finance income	10	-		100	
			30,265		100
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			67,711		1,500
Tax on profit on ordinary activities	3		11,699		-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			56,012		1,500

The notes form part of these financial statements

NW FIRECONTROL LTD

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the Year Ended 31 March 2010

	Year Ended 31/3/10 £	Period 1/8/08 to 31/3/09 £
PROFIT FOR THE FINANCIAL YEAR	56,012	1,500
Actuarial loss relating to the pension scheme	(14,000)	(400)
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>42,012</u>	<u>1,100</u>

The notes form part of these financial statements

NW FIRECONTROL LTD

**BALANCE SHEET
31 March 2010**

	Notes	2010 £	£	2009 £	£
FIXED ASSETS					
Tangible assets	4		23,585		2,507
CURRENT ASSETS					
Debtors	5	426,151		424,797	
Cash at bank		<u>91,053</u>		<u>26</u>	
		517,204		424,823	
CREDITORS					
Amounts falling due within one year	6	<u>491,824</u>		<u>427,330</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>25,380</u>		<u>(2,507)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			48,965		-
PROVISIONS FOR LIABILITIES	8		(4,953)		-
PENSION (LIABILITY)/ASSET	10		<u>(900)</u>		<u>1,100</u>
NET ASSETS			<u><u>43,112</u></u>		<u><u>1,100</u></u>
RESERVES					
Profit and loss account	9		<u>43,112</u>		<u>1,100</u>
			<u><u>43,112</u></u>		<u><u>1,100</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 23/07/10 and were signed on its behalf by:

G B Strong
Director -

NW FIRECONTROL LTD

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 March 2010

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents the net invoiced value of goods sold, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

Employees of NW Firecontrol Limited participate in the Cheshire Pension Fund which is a defined benefit pension scheme. The scheme is a Local Government Pensions Scheme managed by Cheshire West and Chester Borough Council. The assets of the scheme are invested and managed independently of the finances of the company.

The operating costs of providing retirement benefits to employees are recognised in the accounting periods in which the benefits are earned. The related finance costs, expected return on assets and any other changes in fair value of the assets and liabilities, are recognised in the accounting period in which they arise. The operating costs, finance costs and expected return on assets are recognised in the profit and loss account with any other changes in fair value of assets and liabilities being recognised in the statement of recognised gains and losses.

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 31/3/10	Period 1/8/08 to 31/3/09
	£	£
Depreciation - owned assets	3,750	106
Auditors' remuneration	2,850	2,750
Pension costs	<u>9,330</u>	<u>4,998</u>
Directors' remuneration and other benefits etc	<u>-</u>	<u>-</u>

NW FIRECONTROL LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2010**

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Year Ended 31/3/10 £	Period 1/8/08 to 31/3/09 £
Current tax:		
UK corporation tax	6,746	-
Deferred tax	<u>4,953</u>	<u>-</u>
Tax on profit on ordinary activities	<u>11,699</u>	<u>-</u>

UK corporation tax has been charged at 21%

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31/3/10 £	Period 1/8/08 to 31/3/09 £
Profit on ordinary activities before tax	<u>67,711</u>	<u>1,500</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2009 - 21%)	14,219	315
Effects of:		
Pension adjustment - FRS17	(2,520)	(315)
Excess of capital allowances & depreciation	(4,426)	-
Utilisation of tax losses	<u>(527)</u>	<u>-</u>
Current tax charge	<u>6,746</u>	<u>-</u>

NW FIRECONTROL LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2010**

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2009	2,613	-	2,613
Additions	<u>14,463</u>	<u>10,365</u>	<u>24,828</u>
At 31 March 2010	<u>17,076</u>	<u>10,365</u>	<u>27,441</u>
DEPRECIATION			
At 1 April 2009	106	-	106
Charge for year	<u>3,104</u>	<u>646</u>	<u>3,750</u>
At 31 March 2010	<u>3,210</u>	<u>646</u>	<u>3,856</u>
NET BOOK VALUE			
At 31 March 2010	<u>13,866</u>	<u>9,719</u>	<u>23,585</u>
At 31 March 2009	<u>2,507</u>	<u>-</u>	<u>2,507</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Trade debtors	2,597	-
Other debtors	51,272	-
VAT	87,324	123,998
Prepayments	<u>284,958</u>	<u>300,799</u>
	<u>426,151</u>	<u>424,797</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Tax	6,746	-
Other creditors	261,670	228,870
Accrued expenses	<u>223,408</u>	<u>198,460</u>
	<u>491,824</u>	<u>427,330</u>

7. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2010 £	2009 £
Expiring: In more than five years	<u>1,197,500</u>	<u>1,197,500</u>

8. PROVISIONS FOR LIABILITIES

	2010 £	2009 £
Deferred tax	<u>4,953</u>	<u>-</u>

NW FIRECONTROL LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2010**

8. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Movement in provision	<u>4,953</u>
Balance at 31 March 2010	<u><u>4,953</u></u>

9. RESERVES

	Profit and loss account £
At 1 April 2009	1,100
Profit for the year	56,012
Actuarial	<u>(14,000)</u>
At 31 March 2010	<u><u>43,112</u></u>
Profit and loss account excluding pension liability	44,012
Pension deficit	<u>(900)</u>
Profit and loss account	<u><u>43,112</u></u>

10. PENSION COMMITMENTS

The company operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 15 April 2010 by a qualified independent actuary.

Value of scheme assets and liabilities

	Year Ended 31/3/10 £	Period 1/8/08 to 31/3/09 £
Market value of assets	37,700	4,700
Present value of scheme liabilities	<u>(38,600)</u>	<u>(3,600)</u>
Deficit in scheme	<u>(900)</u>	<u>1,100</u>
Net pension (liability)/asset	<u><u>(900)</u></u>	<u><u>1,100</u></u>

NW FIRECONTROL LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2010**

10. PENSION COMMITMENTS - continued

Movement in surplus/(deficit) during the year

	Year Ended 31/3/10 £	Period 1/8/08 to 31/3/09 £
Surplus in scheme at start of year	1,100	-
Current service cost	(8,000)	(2,000)
Contributions by employer	20,000	3,400
Expected return	-	100
Actuarial losses/(gains)	<u>(14,000)</u>	<u>(400)</u>
 (Deficit)/surplus in scheme at end of year	 <u>(900)</u>	 <u>1,100</u>

11. RELATED PARTY DISCLOSURES

In the period under review, the company is due income of £2,123,975 (2009: £786,227) from one of its subscriber members, Greater Manchester Fire & Rescue Authority (GMFRA), being the Firecontrol implementation funding provided to GMFRA by the Department of Communities and Local Government, as GMFRA is the lead authority for the North West region.

GMFRA paid invoices on behalf of the company amounting to £2,248,441 including VAT.

The balance due to GMFRA at the balance sheet date is £257,156 and is included within other creditors (2009: £131,689).

Sales of catering and room hire made to subscriber members in the year included the following: £7,375 to Cheshire Fire Authority, £4,369 to GMFRA (with a year end debtor of £1,031), £73 to Lancashire Combined Authority and £131 to Merseyside Fire & Rescue Authority.

12. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are the five subscriber members being Cheshire Fire Authority, Cumbria County Council, Greater Manchester Fire & Rescue Authority, Lancashire Combined Fire Authority and Merseyside Fire & Rescue Authority, each with 20% control.

13. LIMITED BY GUARANTEE

The Company is limited by guarantee and does not have any share capital. The liability of the five subscriber members is limited. Each member of the Company undertakes to contribute an amount not exceeding £1 in the event of a winding up.

NW FIRECONTROL LTD

**TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 2010**

	Year Ended 31/3/10		Period 1/8/08 to 31/3/09	
	£	£	£	£
Turnover				
Sales: catering and room hire		17,085		-
Cost of sales				
Costs: catering and room hire		15,225		-
GROSS PROFIT		1,860		-
Other income				
Implementation funding	2,119,461		701,284	
Project team funding	15,027		84,943	
Interest from GMFRS	30,265		-	
		2,164,753		786,227
		2,166,613		786,227
Expenditure				
Rent	1,198,257		295,337	
Facilities management	412,523		218,461	
Estates management	35,463		15,918	
Rates and water	53,718		2,100	
Insurance	21,357		11,340	
Light and heat	96,327		42,251	
Wages	110,486		32,179	
Social security	10,273		3,152	
Pensions	9,330		4,998	
Telephone	3,456		857	
Post and stationery	5,146		3,599	
Travelling	11,835		2,942	
Repairs and renewals	10,427		-	
Subsistence	6,223		762	
Training	1,795		399	
Meeting & conference costs	1,100		543	
Accountancy	-		4,600	
Legal advisor fee	3,800		16,833	
Accountancy and financial services	37,009		16,833	
HR advisor fee	46,343		35,500	
Payroll services	1,314		854	
Consultancy fees	11,703		67,443	
Professional fees	-		1,500	
Auditors' remuneration	2,850		2,750	
Auditors' remuneration for non audit work	4,000		3,500	
		2,094,735		784,651
		71,878		1,576
Finance costs				
Bank charges		417		70
Carried forward		71,461		1,506

This page does not form part of the statutory financial statements

NW FIRECONTROL LTD

**TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 2010**

	Year Ended 31/3/10		Period 1/8/08 to 31/3/09	
	£	£	£	£
Brought forward		71,461		1,506
Other finance income/costs				
Expected return on pension scheme assets	1,000		100	
Interest on pension scheme liabilities	<u>(1,000)</u>		<u>-</u>	
		<u>-</u>		<u>100</u>
		71,461		1,606
Depreciation				
Fixtures and fittings	3,104		106	
Computer equipment	<u>646</u>		<u>-</u>	
		<u>3,750</u>		<u>106</u>
NET PROFIT		<u><u>67,711</u></u>		<u><u>1,500</u></u>

This page does not form part of the statutory financial statements