



WEST NORTHAMPTONSHIRE
DEVELOPMENT CORPORATION

Annual Report
and Accounts

For the year ended 31 March 2010

Presented to House of Commons pursuant to section 7 of the Government

Resources and Accounts Act 2000

Ordered to be printed by the House of Commons 19 July 2010



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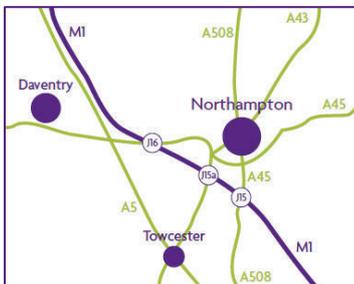
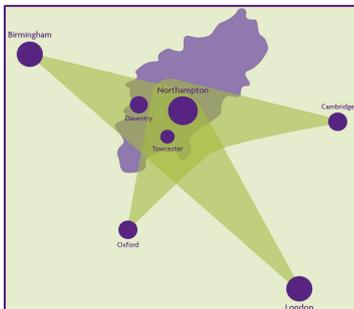
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Introduction

As part of the UK's largest growth area, Northampton, Daventry and Towcester are set to be transformed over the coming years. Created in December 2004, West Northamptonshire Development Corporation works closely with its partners, including the local authorities, to deliver jobs, homes and investment in the three towns.

WNDC is a 'one-stop-shop' for new development, ensuring it is of the highest possible quality and is supported by the appropriate physical, social and economic infrastructure. It is one of only three Urban Development Corporations (UDC) in the UK, and the only one outside of London. As such, it benefits from a wide range of powers including:

- **Investment** - So far WNDC has invested over £70million towards the regeneration of Northampton, Daventry and Towcester, with major schemes underway in all three town centres.
- **Planning** - WNDC has the power to determine strategic planning applications in its area of operation. From April 2011, the threshold for residential planning applications determined by WNDC will be raised from 50 units to 200 units, with local scale planning powers returning to the local authorities.
- **Development** - As a UDC, WNDC has a range of further powers, including the ability to acquire, manage and sell land and other property, together with powers to develop, invest and provide business support



'Building on strong foundations'

Located at the centre of the UK, West Northamptonshire represents one of the country's best opportunities for new jobs, homes and investment – national priorities at a time of economic fragility.

It is clear that the economy is still very volatile and the development sector will remain cautious in 2010/11. However, there are reasons to be optimistic in West Northamptonshire and this area can play a key role in the economic recovery of the UK. Investors have recognised the strategic advantages of the area which is an engine of growth at the crossroads of the country and an economic bridge between the South East and the Midlands. There are strong foundations to build on with key regeneration schemes underway in all three town centres and an excellent track record for the delivery of new jobs and homes.

2010/11 was a year of evolution for the Corporation itself as well as the towns we are helping to transform. We welcomed talented new people into our ranks, not least our Chief Executive, Peter Mawson, who is leading the Corporation through a significant period of change. We are pleased to welcome Cllr Jim Harker to our board, who as the leader of Northamptonshire County Council will be a great asset to the Corporation. Similarly, Cllr Joy Capstick from Northampton Borough Council who will be an excellent voice for the local community.

We are fortunate to be working with partners from across the public and private sectors who are dedicated to the future of West Northamptonshire and I would like to thank everyone connected with WNDP for an excellent year.

John Markham

Chair

Date: 25 June 2010



'Progress through partnership'

WNDP's achievements in 2009/10 were the result of a concerted team effort with our delivery partners, particularly the local authorities.

Over £13 million was invested in the area, including funds from local and regional partners, as well as the European Union. Over £70 million has been invested by WNDP since it was established, leveraging major investment from both the public and private sector.

When I joined the Corporation halfway through the year, I was immediately struck by the scale of the opportunity in Northampton, Daventry and Towcester. There are a host of brownfield development sites, strategic infrastructure projects and town centre regeneration schemes either being delivered or in the pipeline. It was clear that only a Development Corporation, with its skills, capacity and related statutory powers could achieve the delivery of such complex schemes.

One of my first jobs was to guide the Corporation through its five year review by our sponsor department, Communities and Local Government. I was reassured to see the department agree with WNDP and our partners about the future role and scope of the Corporation. As a result, our next delivery phase will see us focus exclusively on large-scale development schemes – those projects which will make the biggest possible difference to the future of the area.

Unlocking the huge potential of Northampton town centre will continue to be a leading priority. As the population of the town grows by a third, the central area will need to play a bigger role in commercial life, while acting as a hub for leisure, transport and other key public services.

In 2009, WNDP worked with its partners to introduce a new way of thinking and communicating about the town. The 'Market City' is a representation of Northampton's aspirations for its future and is reinforced by the progress we are



The iCon, under construction in Daventry

making on key projects, including redevelopment of the Public Realm, Waterside and Castle Station. It was a big year for Daventry and Towcester too and we're delighted to open the first phase of Towcester's Moat Lane regeneration scheme. At a time when new jobs are at a premium, I am very proud of our efforts to support the sub regional economy. We provided significant capital funding to Northamptonshire Enterprise Limited, the county's economic development agency, to help secure new jobs in the area. In 2009, the construction of the iCon started in Daventry and will provide an international centre of excellence for start up businesses in the emerging market of sustainable construction.

Alongside this, we are helping the community to have a 'hands on' role in the development of their area. 2009/10 saw the first trainees start with our pioneering Construction Futures training scheme. We supported a diverse range of voluntary and not-for-profit groups as we recognise that they are the glue that holds our communities together.

Like businesses across the country, WNDC will be delivering more for less in 2010/11, making significant efficiency savings, while taking our flagship projects to the next stage. Working in close collaboration with our partners, we are looking forward to the challenge.

Peter Mawson

Chief Executive

Date: 25 June 2010

Grange Park

- Approved in 2009
- 450 homes
- New hotel
- Commercial development
- Over £9m infrastructure contribution secured

Princess Marina

- Approved in 2009
- Brownfield development
- 550 homes
- Commercial development
- £9m infrastructure contribution secured

'Sustainable Development'

WNDC has been using all the tools at its disposal to ensure the delivery of new jobs, homes and investment in the west of Northamptonshire.

Although market conditions slowed progress on some planning applications, several key schemes were determined during 2009/10. They promise not only high quality new homes, but major contributions to local infrastructure. This has been achieved through WNDC's standard charge regime, securing a step change in planning obligations.

It is about more than just numbers - the design and quality of new development is paramount. WNDC uses design reviews on key applications and insists on design codes for significant schemes. We are pioneers in this field, and launched one of the UK's first Design Codes Manual in 2010.

Growth in the area is infrastructure led. Northamptonshire County Council and the Homes and Communities Agency have been key partners, particularly in the south west of Northampton, where new roads are opening up land for development. This follows the completion of extensive flood mitigation works in the previous year. One of these new roads, Upton Valley Way North won a CEEQUAL Design Award in 2009, recognising its eco friendly credentials. Meanwhile, the latest two in a series of three new linked highways started to take shape. Together, they will support high quality development in the area, including the 1,700 home Upton Lodge development.

In the centre of Northampton, there was encouraging progress on the Avon Nunn Mills application. As one of the largest brownfield developments in the UK, this flagship scheme will provide up to 2,000 waterside homes and major commercial development. In 2009, we committed over £2.3million for vital junction improvements to unlock this development.

In Daventry, three major applications, which proposed almost doubling the size of the town, were subject to public inquiry. The Secretary of State agreed with WNDC and Daventry District Council regarding the Monksmoor appeal, and approved 1,000 new high quality homes at the site.

Northampton the 'Market City'

- Town centre regeneration
- Waterside development
- Arts and culture facilities
- Better rail connections

Towcester Moat Lane

- Over £7million invested by WNDC
- New public space, office -development, retail and hotel
- First phase complete

Daventry town centre

- First phase of town centre vision complete
- iCon centre for sustainable construction underway

'Transforming Town Centres'

When it comes to regeneration, seeing is definitely believing. After working with our partners to put the groundwork in place, 2009/10 was the year when the landscape of local town centres really started to change.

In Northampton, successful redevelopment of the Waterside will transform the image of the town and provide new facilities for local people. WNDC completed several key land acquisitions in the area, while demolition work commenced to make way for future development. In addition, a network of new walkways were opened to the public and Becket's Park Marina, a symbol of the future waterside, started construction.

Nearby, work to transform Castle Railway Station into a modern gateway to 'the Market City' continued, with WNDC committing £900,000 towards the production of an outline design.

Elsewhere in the town centre, we supported the Borough Council to transform the famous Market Square and we funded the County Council to provide safer, more pedestrian friendly streets from the Railway Station to the heart of town. The completion of those works were marked by a colourful street party.

In Towcester there is a strong vision to preserve what is special about the town while providing new facilities for local people. In 2009/10, WNDC worked closely with our partners, particularly South Northamptonshire Council, to bring forward the regeneration of the Moat Lane area of the town centre. The centerpiece of this development is the renovation of Bury Mount and the Water Meadows, which opened in the spring.

Daventry District Council has clear ambitions for the town which WNDC is helping to make a reality. Enabled by WNDC, the new Working Men's Club and Abbey Retail Park successfully completed their first year of operation and are thriving. A range of other sites in the town are also being brought forward for development including a new and improved library as well as more and better shops.

'Driving the Local Economy'

So far, WNDC has approved over 550,000 sq m of commercial floorspace, supporting thousands of new jobs across the area.

This includes pioneering development such as Sainsbury's zero carbon distribution centre at Pineham – one of the most environmentally friendly buildings of its kind in Europe.



Commercial interest in the area remains strong, and WNDC has been working with the business community to secure high quality development in the right locations. Much of this development has been focused close to the M1 at Swan Valley, including the £70million Royal Mail distribution centre which started construction in 2009.

In Daventry, WNDC is leading the delivery of iCon, which started construction in 2009 and will provide over 60 offices for small businesses in the emerging market of sustainable construction, together with conference facilities, support and advice.

The landmark building has been funded by WNDC, Northamptonshire Enterprise Limited, the European Regional Development Fund and the East Midlands Development Agency. It is scheduled to be complete by March 2011.

Breaking down the barriers to development on brownfield land is a leading priority for the Corporation. In 2009 WNDC funded the 'Fit For Market' scheme which supports commercial developments in priority sectors. Managed by Northamptonshire Enterprise Limited on behalf of the County Council, it supported a number of schemes in 2009/10, including the Axis 43 office development in Towcester, which will provide new jobs for local people.

Protecting existing business is as equally important as attracting new companies. In 2010/11, Northampton's leading business park, Brackmills, has started to see the benefits of a CCTV scheme which WNDC funded in 2008. As a result, businesses on the estate have seen crime in the area almost halve.



"My Dad already works in construction and I want to follow in his footsteps and show that females can be successful in this industry too.

I'm getting a huge amount out of the training scheme, I'm part of a great team and have got to meet lots of talented people."

Chloe Gardner, 18,
Construction Futures

'Community Development'

Growth and regeneration is about more than bricks and mortar, it is about improving the quality of life for local people.

In 2009, the first students started with the pioneering Construction Futures training scheme. The project has been a real success story for the area. It uses s106 agreements to secure construction skills training for local people on new developments. This valuable training is provided as part of a formal college course and helps local people directly share the benefits of new development.

Created in partnership with Northamptonshire County Council, Moulton College and Northamptonshire Enterprise Limited, the scheme has emerged as a model of best practice for planning authorities across the country.

Trainees have been working at a number of sites across WNDC's area, including the renovation of Upton Lodge farm house in Northampton. Building commenced there in 2009 after WNDC and the Homes and Communities Agency pledged funding to turn the derelict building into a centre to provide disadvantaged young people with housing support, training and advice.

Alongside this activity, WNDC's Stronger Communities Fund has been supporting a wide range of voluntary and no-for-profit groups. Managed on our behalf by local charity the Northamptonshire Community Foundation, it aims to strengthen growing communities. Groups to benefit from the programme include community radio stations, transport schemes and community centres.

MANAGEMENT COMMENTARY

Statutory Context

“Sustainable Communities: building for the future” (ODPM, February 2003) set out the Government’s aim of achieving a step change to deliver successful, thriving and inclusive communities. As part of the Plan, four Growth Areas were identified, including Milton Keynes South Midlands. West Northamptonshire is a key area within the Milton Keynes South Midlands (MKSM) Growth Area and the West Northamptonshire Development Corporation (WNDC) is the delivery vehicle established to lead delivery of new jobs, homes and investment. The Order establishing an Urban Development Corporation (UDC) for West Northamptonshire – specifically the towns of Northampton, Daventry and Towcester – was approved by Parliament in December 2004.

Accounts Direction

The financial statements contained within this Report and Accounts have been prepared under the Accounts Direction given by The Secretary of State, with the consent of the Treasury in accordance with Paragraph 10(3) of Schedule 31 to The Local Government, Planning and Land Act 1980. The full document, together with the attached Schedules 1 & 2, is reproduced on pages 51 to 54.

Financial Performance

The net expenditure for the period 1 April 2009 to 31 March 2010 was £11.740million. This net expenditure is not a loss but instead will be fully met by ‘grant-in-aid’. The Statement of Financial Position at 31 March 2010 shows Total Assets less Liabilities of £2.915million.

Going Concern basis of accounting

Grant-in-aid for 2010/11, taking into account the amounts required to meet WNDC’s liabilities falling in that year, has already been included in the department’s estimates for that year, which have been approved by Parliament. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Performance Payment

The Corporation's policy is to pay a supplier within 30 days of the submission date of a valid invoice unless the terms of contract dictate otherwise, however in line with government requirements our aim is to pay invoices within 10 days.

During the period under review WNDC did not incur any interest charges with respect to late payments against submitted invoices (as defined by the Payment of Commercial Debts (Interest) Act 1988).

Environmental Policy

WNDC aims to be carbon-neutral over our lifetime. We aim to minimise our impact on the environment by reducing our consumption, re-using resources wherever possible, and recycling what cannot be re-used. Current working practices include participating in an approved recycling programme, whereby all discarded office stationery and packaging is collected and passed to recycling contractors each week, and wherever possible, all new office stationery is ordered from sustainable or recycled products.

Corporate Performance

The Corporation has developed key corporate policies and has an internal audit programme, which is provided under a service level agreement by the internal audit division of Communities and Local Government (CLG) and carried out to Government Internal Audit Standards.

Employee Policies

The Corporation aims to be a responsible employer and to this end has produced and distributed to all staff a guidance document ('The Corporation's 'Employee Handbook') modelled on the terms and conditions of employment of other non-departmental public bodies and CLG. The Corporation is fully committed to a policy of equal opportunities in respect of employment and to ensure the fair and equal treatment of all employees, customers and contractors regardless of race, colour, age, nationality, ethnic or national origin, disability, sex or marital status, sexual orientation, religion or belief.

Our sickness level per employee per annum is 8.0 days.

Information on personal data related incidents is given on page 23.

KEY PERFORMANCE INDICATORS

Projects	Milestone	09/10 Target Date	Progress
Avon/Nunn Mills/Ransome Road	Board resolution to acquire land in unknown ownership	Q2	Achieved
	CLG/Treasury investment approval sought	Q2	Achieved
	London Road Junction improvements commenced	Q4	Not Achieved Revised for Q2 10/11
Castle Station	GRIP4 design work commenced	Q2	Achieved
	Car park planning application submitted	Q4	Not Achieved Revised for Q3 10/11
Daventry iCon	Detailed planning consent approved	Q1	Achieved
	Start on site	Q2	Achieved
Design Codes Manual	Consultation draft approved by Board	Q1	Achieved
	Final draft adopted by Board	Q3	Achieved
Flore-Weedon Bypass	Assessment of delivery options commenced	Q1	Achieved
	Assessment of delivery options completed	Q4	Achieved
Public Realm Phase 1B	Works completed	Q2	Achieved
Sustainability Manual	Consultation draft approved by Board	Q2	Achieved
	Final draft adopted by Board	Q3	Not Achieved Revised for Q1 10/11
Towcester Masterplan	Consultation draft approved by Board (alongside South Northamptonshire Council) (SNC)	Q1	Achieved
	Final draft adopted by Board (alongside SNC)	Q3	Not Achieved SNC revising
Waterside	First phase land acquisition completed	Q1	Achieved
	Second phase land acquisition	Q2	Achieved
	Waterside masterplan completed	Q2	Achieved
	Agree land regeneration strategy for Gas Holders	Q2	Achieved
	Sustrans Cycleway improvements completed	Q4	Achieved

Disclosures to Auditors

The Comptroller and Auditor General is the statutorily appointed auditor under the provisions of the Local Government, Planning and Land Act 1980 and the Government Resources and Accounts Act 2000.

So far as I am aware there is no relevant audit information of which the Corporation's auditor is unaware. I have taken all the steps I should as Accounting Officer in order to make myself aware of any relevant audit information and to establish that the Corporation's auditor is aware of that information.

The cost of work performed by the auditors in respect of the year ended 31 March 2010 is as follows:

Fee for statutory audit work:	£25,000
Fee for IFRS Transition Audit	£5,650
Fee to CLG for Internal Audit Services	£10,665

BOARD AND EXECUTIVE

BOARD MEMBERS

John Markham (Chair)
John Weir (Deputy Chair)
John Farrow
Mary Burrows
David Dickinson
Ann Tate
Nick Thompson
Lee Barron (to 14 March 2010)
Cllr Ben Smith (to 14 March 2010)
Cllr Chris Millar
Cllr Sandra Barnes
Cllr Tony Woods
Cllr Richard Church
Cllr Joy Capstick (from 26 March 2010)
Cllr Jim Harker (from 26 March 2010)

EXECUTIVE DIRECTORS

CHIEF EXECUTIVE OFFICER (CEO)	Peter Mawson (from 4 August 2009)
DEPUTY CHIEF EXECUTIVE & CHIEF OPERATING OFFICER	Roger Mendonca (Interim CEO to 3 August 2009)
DIRECTOR OF PLANNING SERVICES	Adrian Arnold (from 4 May 2009)
DIRECTOR OF REGENERATION & DEVELOPMENT	Christopher Garden (from 1 January 2010)
PLANNING AND DEVELOPMENT DIRECTOR	Stephen Kelly (to 3 May 2009)
DIRECTOR OF INFRASTRUCTURE DELIVERY	Harj Dhaliwal (to 31 January 2010)
ACCOUNTING OFFICER	Peter Mawson (from 4 August 2009) Roger Mendonca (to 3 August 2009)
EXTERNAL AUDITOR	Comptroller and Auditor General

THE BOARD

WNDC's Board is made up of thirteen members, including the Chair and Deputy Chair. Six members were nominated by local authorities, the other seven members including the Chair and Deputy Chair, were selected in open competition. All thirteen members were selected on merit by the Secretary of State in accordance with the rules for Ministerial appointments set out by the Office of the Commissioner for Public Appointments (OCPA).

The Chair was appointed on 1 December 2008. In March 2010, John Farrow, Ann Tate and David Dickinson, who were previously appointed for a three year term, had their contracts extended until December 2010 by the Secretary of State.

In March 2010 three Board members contracts ended. Lee Barron and Cllr Ben Smith were replaced by Cllr Joy Capstick and Cllr Jim Harker, nominees from Northampton Borough Council and Northamptonshire County Council respectively. Cllr Chris Millar, Leader of Daventry District Council was reappointed for a three year term. Board member biographies are available on the WNDC website, www.wndc.org.uk under the 'About Us/Board Members' section.

Board members are collectively responsible for the conduct of all business undertaken by WNDC. In addition to the statutory powers and duties of WNDC, members have both fiduciary duties and general duties of skill and care. This means that they are responsible for the Board's strategic direction and policies, and for ensuring that WNDC is properly and effectively managed. In particular, members are responsible for the stewardship of the public funds entrusted to the Board.

Register of Declarable Interests

The Register of Declarable Interests for the Board members of WNDC is available on the WNDC website, www.wndc.org.uk under the 'About Us/Board Members' section.

REMUNERATION REPORT

Remuneration Committee membership

Nick Thompson	Chair
Richard Church	Deputy Chair
Sandra Barnes	Board member
John Markham	Board member (ex Officio)
John Weir	Board member (ex Officio)

Policy

1. As set out in section 12 of Schedule 26 of the Local Government, Planning and Land Act 1980, the WNDC Board is responsible for determining the remuneration for WNDC staff.
2. During 2009, the Remuneration Committee was reinstated in place of the Corporate Performance Committee part of whose remit is now dealt with by the Audit & Risk Committee. The Remuneration Committee will provide advice and support to the Chief Executive and assurance to the Board. The Committee is an advisory body with no executive authority.
3. The Committee will advise the WNDC Board on all aspects of the Rewards Strategy for WNDC officers.
4. The Committee is authorised by the Board to investigate any activity within these terms of reference and to seek any information it requires from staff, who are requested to co-operate with the Committee in the conduct of its enquiries.
5. The Remuneration Committee is authorised to obtain independent professional advice if it considers it necessary.
6. The specific duties of the Remuneration Committee in advising the WNDC Board shall be through reviewing and commenting upon (inter alia):
 - The Chairman's proposals for the remuneration of the Chief Executive
 - The Chief Executive's proposals for the remuneration of the other members of the Executive team.
 - The Chief Executive's proposals for WNDC's overall remuneration strategy and whether it enables the corporation to recruit and retain key staff.
7. The Committee report their findings to the Board and produce a formal written report to the next appropriate Board Meeting.

Performance related pay

The performance related pay will be a maximum of 10% of gross annual salary.

Directors' contracts

Chief Executive	Service Agreement Commenced 1 August 2009 6 months notice for both parties
Deputy Chief Executive/Chief Operating Officer	Commenced 1 August 2005 Expires 31 July 2010 Unexpired term 4 months
Planning Services	Service Agreement Commenced 1 January 2010 3 months notice for both parties
Regeneration and Development	Service Agreement Commenced 1 January 2010 3 months notice for both parties
Planning & Development	Commenced 17 December 2005 Ceased 3 May 2009
Infrastructure Delivery	Commenced 14 January 2008 Terminated 31 January 2010

Termination costs

There were no costs in respect of early termination of contracts

Board members' costs

Name	2009-10 £ Salary	Pension Contributions	2008-09 £ Salary
John Markham – Chair	47,332	-	15,544
John Weir – Deputy Chair	35,031	-	39,985
John Farrow	11,968	-	11,791
Mary Burrows	11,968	-	11,791
David Dickinson	11,968	-	11,791
Ann Tate	11,968	-	11,791
Nick Thompson	11,968	-	11,791
Lee Barron – to 14 March 2010	11,470	-	11,791
Cllr Ben Smith – to 14 March 2010	11,470	-	11,791
Cllr Chris Millar	11,968	-	11,791
Cllr Sandra Barnes	11,968	-	11,791
Cllr Tony Woods	11,968	-	11,791
Cllr Richard Church	11,968	-	11,791
Cllr Jim Harker from - 26 March 2010	-	-	-
Cllr Joy Capstick – from 26 March 2010	-	-	-
Keith Barwell – Chair to 27 June 2008	-	-	2,890

John Markham, as Chair had not taken up the offer of a 'by-analogy' pension by 31 March 2010. The Deputy Chair has declined to take up the offer of a 'by-analogy' pension scheme.

No other Board Members were entitled to any by-analogy pension arrangements.

Salaries of Senior Managers

	Salary £'000	2009-10		2008-09
		Bonus £,000	Total £'000	Salary £'000
Peter Mawson Chief Executive	75-80 (120-125 full year)	-	75-80 (120-125 Full year)	-
Roger Mendonca Deputy Chief Executive/Chief Operating Officer	120-125	10-15	130-135	110-115
Adrian Arnold Director of Planning Services	75-80	-	75-80	-
Christopher Garden Director of Regeneration & Development	65-70	-	65-70	-
Stephen Kelly Planning & Development Director	5-10 (70-75 full year)	5-10	10-15 (80-85 full year)	80-85
Harj Dhaliwal Director of Infrastructure Delivery	95-100 (110-115 full year)	10-15	105-110 (125-130 full year)	115-120

The information on senior managers' costs above is subject to audit.

There were no benefits in kind in the year ended 31 March 2010 (2009 £Nil)

Pensions

WNDC is an admitted body within the Local Government Pension Scheme (LGPS) as administered by Northamptonshire County Council (NCC). The LGPS is a contributory defined benefit final salary scheme. The appointed Actuaries to the scheme are Hymans Robertson LLP. The Corporation and its employees pay contribution into the fund at rates intended to meet the growth in pension liabilities over the longer term.

The Service Level Agreement between NCC and Hymans Robertson LLP requires the provision of full IAS 19 disclosure details to each of the admitted bodies. The full disclosure of the WNDC scheme details is given in Note 19 to the Accounts.

As regards to individual members of the scheme, the following details apply to senior management:

	Accrued pension at age 65 as at 31/03/10 and related lump sum	Real increase in pension and related lump sum at age 65	CETV At 31/03/2010	CETV at 31/03/2009	Real Increase in CETV
	£'000	£'000	£'000	£'000	£'000
Peter Mawson Chief Executive	0-5 plus lump sum of 0-5	-	13	-	-
Roger Mendonca Deputy Chief Executive/Chief Operating Officer	20-25 plus lump sum of 55-60	5.0-7.5 plus lump sum of 12.5-15.0	321	207	105
Adrian Arnold Director of Planning Services	20-25 plus lump sum of 60-65	-	439	-	-
Christopher Garden Director of Regeneration & Development	20-25 plus lump sum of 60-65	-	405	-	-
Stephen Kelly* Planning & Development Director	15-20 plus lump sum of 45-50	-(0-2.5) plus lump sum of -(2.5-5.0)	262	250	1
Harj Dhaliwal* Director of Infrastructure Delivery	15-20 plus lump sum of 30-35	2.5-5.0 plus lump sum of 2.5-5.0	224	151	67

* The CETV values at 31 March 2010 are based on the member's pensions at the date of leaving.

The information on senior managers' pensions above is subject to audit.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the members' accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which this disclosure applies.

The CETV figures also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

**Real
Increase in
CETV**

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



SIGNATURE

Peter Mawson
Accounting Officer and Chief Executive

Date: 25 June 2010

STATEMENT OF THE BOARD'S AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Local Government, Planning and Land Act 1980 the Secretary of State with the consent of the Treasury has directed West Northamptonshire Development Corporation to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of West Northamptonshire Development Corporation and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

Observe the Accounts Direction issued by the Secretary of State including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

Make judgements and estimates on a reasonable basis;

State whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements, and

Prepare the financial statements on a going concern basis.

The Secretary of State has designated the Chief Executive as Accounting Officer of West Northamptonshire Development Corporation. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the West Northamptonshire Development Corporation's assets, are set out in the *Government Financial Reporting Manual* published by HM Treasury.

STATEMENT ON INTERNAL CONTROL

1 Scope of responsibility

The Board is accountable for internal control. As Accounting Officer and Chief Executive of the Corporation, I have responsibility for maintaining a sound system of internal control which supports the achievement of WNDC's policies, aims and objectives, whilst safeguarding the public funds and departmental assets in accordance with the responsibilities assigned to me in "Managing Public Money". This brings with it responsibility for governance issues and includes custody of risk management and its adoption throughout the organisation.

The Chief Executive provides Board level leadership for corporate governance and risk management. The Board committee that oversees these processes, namely the Audit and Risk Committee, is chaired by a non-executive Board member of the West Northamptonshire Development Corporation. The Chief Operating Officer & Deputy Chief Executive and Head of Finance & Resources attend the committee to ensure an effective and integrated governance process.

2 The Purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to:

- i. Identify and prioritise the risks to the achievement of the Corporation's policies, aims and objectives;
- ii. Evaluate the likelihood of those risks being realised and assess their impact should they be realised, and to manage them efficiently, effectively and economically.

3 Capacity to handle risk

The system of internal control has been in place in WNDC for the year ended 31 March 2010, and up to the date of approval of the annual report and accounts, and accords with Treasury guidelines.

I have given clear leadership to the risk management approach of WNDC, sponsoring the work of my predecessor to update the Risk Management Policy in line with the Office of Government Commerce's guidance and to develop the internal skills required to implement that policy successfully.

Building on the training and development activity undertaken last year, the corporate training programme this year has encompassed Managing Successful Projects (MSP) and Management of Risk (MOR). Staff either attended a 1 day awareness session, 3 day foundation certificate or 5 day practitioner certificate. Other training has included Health & Safety Risk Assessments, First Aid, Construction Design Management (CDM) and Manual Handling. Various other individual training has been carried out including Nebosh (Health & Safety), Business Continuity and Information Technology Infrastructure Library (ITIL).

4 The Risk and Control Framework

The updated Risk Management Policy and Risk Management Process more closely defines our tolerance and thresholds for each of the four risk levels, Strategic, Programme, Project and Operational, based upon our overall risk appetite. Where outcomes are predicted to deviate from plan, beyond prescribed limits, referral must happen as soon as the deviation is forecast. This includes forecasts that may enhance objectives as well as those that may erode objectives.

All individuals and teams with identified risk management roles and responsibilities assess risks in their area of operations as an integral part of their normal monthly routine. The Risk Register forms the basis for the identification and assessment of risks. Review of the risks contained within the register is part of the monthly work cycle for each directorate within the organisation: for example the Operational Project Review for each project will review risks and agree the level of reporting and action required.

The reporting of risks is embedded within WNDC at all operational levels, from departmental team meetings to inclusion in relevant Board reports. In addition at the regular weekly Executive team meeting all red risks and others as required are discussed and necessary actions agreed. Required actions are noted and communicated to the relevant risk owner or actionee.

WNDC has established a Risk Working Group which meets on a monthly basis and consists of staff members from across the organisation to ensure the risk framework and process is applied effectively, remains relevant to the organisations needs and demonstrates best practice in the management of risk. The group chair will feedback on progress and escalate issues to the WNDC Audit & Risk Committee as necessary.

5 Information Risk

Information & Security Risk remains an important priority for the organisation. During 2009/10 a working party was established to drive forward a culture of responsibility within WNDC. While the implementation of some of the actions they identified has been delayed due to organisational restructuring, the introduction of a new Information Hub to act as a central repository for our data and the imminent appointment of a dedicated Information & Records Manager will ensure WNDC is fully compliant going forward.

It is a requirement to report information risk related incidents to the Information Commissioner's Office and the Corporation takes very seriously the way it handles the information that is generated and received by the organisation.

6 Review of effectiveness

WNDC is not aware of any protected personal data related incidents and there were none formally reported to the Information Commissioner's office in 2009-10.

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system is informed by the work of the internal auditors and the executive managers within the Corporation who have the responsibility for the development and maintenance of the internal control framework; and comments made by the external auditors in their management letter and other reports.

I have advised the Audit and Risk Committee of the plan to address weaknesses and ensure continuous improvement of the system. The risk management approach of WNDC has the full support of the Board. The Audit and Risk Committee, which is a subsidiary committee of the WNDC Board, has clear terms of reference and meet regularly. The focal point for risk management is a senior manager with appropriate skills and training, and a specific member of the executive team is the sponsor for risk management effectiveness on a day to day basis.

In specialist areas we have identified a need for expertise in Health and Safety, and specific training has been identified for appropriate staff. In addition, a review of our Business Continuity arrangements has revealed that, whilst the key elements are in place, this is not deemed sufficient for operational purposes and specific steps are being taken to address the issue as part of the organisational review of risk policies.

In order to fulfil my responsibilities to the Board and the Public, a system of governance is in place that provides the necessary challenge and scrutiny of the functions of West Northamptonshire Development Corporation. As part of an objective assessment of this process, we continue to work with the National Audit Office and the Internal Audit Service of our sponsor department, Communities and Local Government, which hold the Board, and myself to account for financial probity and corporate governance.

The control systems are operating effectively, although some significant weaknesses were identified in the area of Information Security and Data Handling which have now been addressed.



SIGNATURE

Peter Mawson

Accounting Officer and Chief Executive

Date: 25 June 2010

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND TO THE BOARD OF THE WEST NORTHAMPTONSHIRE DEVELOPMENT CORPORATION

I certify that I have audited the financial statements of the West Northamptonshire Development Corporation for the year ended 31 March 2010 under the Local Government, Planning and Land Act 1980. These comprise the Net Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the West Northamptonshire Development Corporation Board, Chief Executive and auditor

As explained more fully in the Statement of the Board and Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me and my staff 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 West Northamptonshire Development Corporation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the West Northamptonshire Development Corporation; and the overall presentation of the financial statements.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view, of the state of the West Northamptonshire Development Corporation's affairs as at 31 March 2010 and of its net expenditure, changes in taxpayers' equity and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Local Government, Planning and Land Act 1980 and directions made there under by the Secretary of State.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Local Government, Planning and Land Act 1980 and directions made there under by the Secretary of State; and
- the information given in the management commentary, included within the Annual Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

*Amyas C E Morse
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP*

Date: 2 July 2010

FINANCIAL STATEMENTS

NET EXPENDITURE ACCOUNT for the year ended 31 March 2010

	Note	Total 2009-10 £'000	Total 2008-09 £'000
Expenditure			
Staff Costs	5	(3,112)	(2,945)
Depreciation	10	(95)	(96)
Amortisation	11	(63)	(64)
Impairment	10/11	(41)	(56)
Grants Payable (Project Costs)	8	(12,341)	(15,501)
Planning Appeal Costs	7	(626)	(1,535)
Other Expenditure	6	(1,562)	(2,519)
		(17,840)	(22,716)
Income			
Income from Activities	4a	4,763	1,926
Other Income	4b	1,438	1,271
		6,201	3,197
Net Expenditure		(11,639)	(19,519)
Cost of Capital		(54)	54
Finance (charge) / credit for pensions	19	(56)	(44)
Interest receivable		-	18
		(110)	28
Net Expenditure after Cost of Capital Charge and Interest		(11,749)	(19,491)
Taxation	17	(45)	(4)
Net Expenditure after Tax for the Year		(11,794)	(19,495)
Cost of Capital		54	(54)
Net Expenditure retained for the year		(11,740)	(19,549)

The notes on pages 32 to 50 form part of these accounts

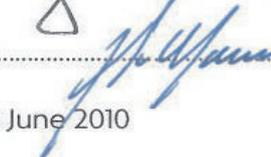
FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION as at 31 March 2010

	Note	2009-10 £'000	2008-09 £'000	2007-08 £'000
Non-Current Assets				
Property, Plant and Equipment	10	260	302	304
Intangible Assets	11	52	143	174
Total Non-Current Assets		312	445	478
Current Assets				
Inventories	13	2,912	450	500
Trade and Other Receivables	12a	2,334	1,176	558
Cash and Cash Equivalents	14	3,285	3,348	3704
Total Current Assets		8,531	4,974	4,762
Total Assets		8,843	5,419	5,240
Current Liabilities				
Trade and Other Payables	15a	(3,769)	(4,531)	(7,587)
Total Current Liabilities		(3,769)	(4,531)	(7,587)
Non-Current Assets plus/less net current assets/liabilities		5,074	888	(2,347)
Non-Current Liabilities				
Pension Liability	19	(2,159)	(717)	(975)
Total Non-Current Liabilities		(2,159)	(717)	(975)
Assets Less Liabilities		2,915	171	(3,322)
Reserves				
General Reserve	18a	52,869	36,943	14,159
I&E	18b	(47,795)	(36,055)	(16,506)
Pension Reserve	19	(2,159)	(717)	(975)
		2,915	171	(3,322)

The notes on pages 32 to 50 form part of these accounts

(Signed)..........(Chair)

(Signed)..........(Accounting Officer)

Date: 25 June 2010

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS as at 31 March 2010

	2009-10 £'000	2008-09 £'000
Cash Flows from operating activities		
Net expenditure	(11,639)	(19,519)
Depreciation / amortisation / impairment	199	166
(Increase) / decrease in Inventories	(2,462)	50
Transfer to Pension reserve	(71)	40
Increase in trade and other receivables	(1,158)	(618)
Decrease in trade and other payables	(762)	(3,056)
<i>Net cash outflow from operating activities</i>	(15,893)	(22,937)
Cash Flows from investing activities		
Purchase of property, plant and equipment	(57)	(100)
Purchase of intangible assets	(9)	(33)
Interest received	-	18
<i>Net cash outflow from investing activities</i>	(66)	(115)
Cash Flows from financing activities		
Grants from parent department	15,941	22,700
Corporation tax	(45)	(4)
<i>Net financing</i>	15,896	22,696
Net decrease in cash and cash equivalents in the period	(63)	(356)
Cash and cash equivalents at the beginning of the period	3,348	3,704
Cash and cash equivalents at the end of the period	3,285	3,348
	(63)	(356)

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN TAXPAYERS EQUITY as at 31 March 2010

	General Reserve £'000	I&E Reserve £'000	Pension Reserves £'000	Total Reserves £'000
Balance at 31 March 2008	14,315	(16,630)	(975)	(3,290)
Changes in accounting policy	-	(32)	-	(32)
Non-cash charges – cost of capital	(185)	185	-	-
Transfers between reserves	29	(29)	-	-
Restated balance at 1 April 2008	14,159	(16,506)	(975)	(3,322)
Changes in reserves 2008-09				
Net gain on Pension actuarial assumption	-	-	342	342
Transfers between reserves	84	-	(84)	-
Income from activities	-	(19,549)	-	(19,549)
Total Recognised Income and Expense for 2008-09	84	(19,549)	258	(19,207)
Grant from Parent	22,700	-	-	22,700
Balance at 31 March 2009	36,943	(36,055)	(717)	171
Changes in reserves 2009-10				
Net gain on Pension actuarial assumption	-	-	(1,457)	(1,457)
Transfers between reserves	(15)	-	15	-
Income from activities	-	(11,740)	-	(11,740)
Total Recognised Income and Expense for 2009-10	(15)	(11,740)	(1,442)	(13,197)
Grant from Parent	15,941	-	-	15,941
Balance at 31 March 2010	52,869	(47,795)	(2,159)	2,915

FINANCIAL STATEMENTS

Notes to the Accounts

1 (a) Statement of accounting policies

These financial statements have been prepared in accordance with the 2009-10 Government Financial Reporting Manual (FReM) issued by H.M. Treasury.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the I-FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances for the West Northamptonshire Development Corporation, WNDC hereafter, for the purpose of giving a true and fair view has been selected. The particular policies adopted by the WNDC are described below:

The Corporation's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1 (b) Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1 (c) Recognition of income

Under the I-FReM, funding from Parliament is treated as an injection of capital rather than income.

WNDC recognises revenue in the period in which services are provided and has four main revenue streams;

Project Management Recharge

As part of the funding awarded to projects, WNDC agrees with the applicant an amount in respect of WNDC programme management costs, which will be recharged to the Grant funding recipient. This income and the related costs are recognised over the life of the project. Its recovery is subject to the availability of funding and the completion of projects.

Planning Fees

WNDC receives a statutory fee for each Planning Application lodged. The accounting policy adopted by WNDC in respect of these fees is to apportion the fee over the period from receipt of application to final determination. Any balance of fees received not credited to income by the end of the accounting period is shown as deferred income, amounts fall due within one year.

S106 Income

All monies received by WNDC from S106 agreements, which includes those signed by WNDC and those inherited on the granting of WNDC planning powers, are held in a separate bank account. These funds are solely for the provision of infrastructure and services as specified in the S106 agreement and as such are not treated as WNDC income but included within the payable balance.

Grant Income

WNDC may receive grants from various bodies as contributions towards the provision of specific projects. This income and the related cost fall due over the life of the project. The percentage of completion method is utilised to recognise revenue on long term projects. Any balance of grant not credited to income by the end of the accounting period is shown as deferred income. At the completion of the project, any grant not spent may be repayable.

Rental Income

WNDC may receive rental income from the stock of development properties held as inventories. Any rental income will be recognised on an accruals basis.

1 (d) Employee Benefits

Retirement Benefit Costs

Past and present employees are covered by the provisions of the Local Government Pension Scheme (LGPS).

WNDC employees are invited to join the LGPS administered by Northampton County Council, a final salary defined benefit scheme. Pension costs are currently accounted for under FRS 17 as calculated by the scheme appointed Actuaries, Hymans Robertson LLP.

Northamptonshire County Council do not have to adhere to I-FReM until financial year 2010/2011, resulting in a one year delay in converting this transaction to IAS 19.

Holiday Pay

Employees of WNDC are entitled to 28 days paid leave each year (pro rata where necessary).

There is no fixed holiday year for the organisation. Each employee's holiday year entitlement starts on the anniversary of their commencement date, and as such there may be a balance of untaken leave at the end of the financial year to be accrued.

This is calculated using a day rate for each employee and multiplying it by the number of days untaken from their entitlement at the financial year end. An element for Social Security is then accrued on top of the employee's day rate.

1 (e) Plant Property & Equipment (PPE)

PPE comprise of computer and office equipment which are deemed to have a useful economic life of four years, and furniture and fittings which are deemed to have a useful economic life of eight years. All WNDC's PPE are valued on historical cost basis, as stated in IAS 16, they are deemed to be short life, low value assets and eligible to be valued under the historical cost basis.

Capitalisation

Tangible assets are capitalised if they are capable of being used for a period which exceeds one year and they:

- Individually have a cost of at least £2,500; or
- They are lower than the threshold value and can be grouped into a single asset where they form part of a distinct of specific project.

Depreciation

Depreciation for fixed furniture and fittings is provided to write off the costs of individual assets at the lower of:

- Their useful economic life
- The term of the rental lease to (March 2011)

Depreciation for other individual PPE is provided to write off the cost over their useful economic life on a straight line basis at the following rates:

- Computer Equipment 25%
- Office Equipment 25%
- Other Movable Items 12.5%

1 (f) Intangible Assets

Intangible assets comprise of software licences and are deemed to have a useful economic life of four years. All WNDP's intangible assets are valued on historical costs basis, as stated in IAS 38, they are deemed to be short life, low value assets and eligible to be valued under the historical cost basis.

If the Corporation had high value or long life intangible assets, they would be valued using a fair value basis.

Capitalisation

Intangible assets are capitalised if they are capable of being used for a period which exceeds one year and they:

- Individually have a cost of at least £2,500; or
- They are lower than the threshold value and can be grouped into a single asset where they form part of a distinct or specific project.

Amortisation

Amortisation is provided to write off the costs of individual assets over their useful economic life on a straight line basis at the following rates:

- Computer Software 25%

1 (g) Inventories

Inventories held by WNDP are recognised in the accounts at Fair Value (market value).

Fair Value is determined by reference to quoted market prices where possible, otherwise by valuation techniques'.

The Corporation assesses the value of Inventories annually, gains from impairment are held in the revaluation reserve on the balance sheet, losses from impairment are recorded as an expense in the year in the income statement.

1 (h) Related Party Transactions

IAS 24 requires transactions between a reporting entity and its related parties to be disclosed in its financial statements.

A related party can be an individual, and entity, or an unincorporated business. As per the standard, WNDP uses the general criteria to determine relationships involving control, joint control and significant influence that are required to be disclosed.

The following definitions' are used to determine the above mentioned relationships;

Control

'The power to govern the financial and operating policies of an entity so as to obtain benefits from its activities'

Joint Control

'The contractually agreed sharing of control over and economic activity'

Significant Influence

'The power to participate in the financial and operating policy decisions of an entity, but is not in control over these policies. Significant influence may be gained by share ownership, statute or agreement'

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**1 (i) Provisions,
Contingent
Liabilities and
Contingent
Assets**

As per IAS 37, WNDC recognises a provision when; it has a present of legal obligation as a result of a past event, it is probable that WNDC will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of expenditure required to settle the obligation at the balance sheet date, taking into account the risks and uncertainties.

Where the provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using H.M. Treasury's discount rate of 3.5% in real terms.

When some or all the economic benefits required to settle a provision are expected to be received from a third party, the receivable amount is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where WNDC has a contract under which the avoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when WNDC has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

The measurement of a restructuring provision includes only the direct expenditure arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of WNDC.

1 (j) Cost of Capital

A charge, reflecting the cost of capital utilised by WNDC, is included in the Expenditure account. The charge is calculated at the real rate set by H.M. Treasury (3.5%) (2007/08 3.5%) on the average carrying amount of all assets less liabilities, except for;

Property, plant and equipment and intangible assets where the cost of capital charges is based on opening values, adjusted pro rata for in-year:

- Additions at cost
- Disposals as valued in the opening statement of financial position (plus any subsequent capital expenditure prior to disposal)
- Impairments at the amount of the reduction of the opening statement of financial position value (plus any subsequent capital expenditure)
- Depreciation of property, plant and equipment and amortisation of intangible assets.

1 (k) VAT

WNDC is registered for VAT. On 1 January 2007 WNDC brought in-house the Development Control function in respect of planning applications received by WNDC and as a result the Planning Fees for those applications are paid direct to WNDC.

Such fees are deemed 'Out of Scope' for VAT purposes. A partial recovery of VAT has been agreed with HM Revenue & Customs whereby WNDC expenditure is matched to the relevant income stream and the VAT dealt with accordingly. Income and expenditure will be included in the accounts either gross or net depending upon the VAT recovery for that particular item.

1 (l) Project costs

WNDC deems that project costs are payable only when the terms of the grant have been met.

1 (m) Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours.

Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Investments made comply with WNDC's Treasury Management Policy.

1 (n) Leases

Expenditure under operating leases is recognised in the Net Expenditure Account on a straight line basis over the period of the lease.

2. First-time adoption of IFRS

	General Reserve £'000	Pension Reserves £'000	Total Reserves £'000
Taxpayers' equity at 31 March 2008 under UK GAAP	(2,315)	(975)	(3,290)
Adjustments for IAS 19 Employee Benefits			
Holiday Accrual	(29)	-	(29)
NIC on Holiday Accrual	(3)	-	(3)
Taxpayers' equity at 1 April 2008 under IFRS	(2,347)	(975)	(3,322)
Net Expenditure for 2008/09 under GAAP			(19,450)
Holiday Provision			(13)
NIC, Holiday Provision			(2)
Transfer to pension reserve			(84)
Reversal of cost capital			54
Net Expenditure for 2008/09 under IFRS			(19,495)

3. Analysis of Net Expenditure by Segment

	Planning	Regen	Other-Core	Total
	£'000	£'000	£'000	£'000
Gross Expenditure	1,713	13,598	2,684	17,995
Income	(403)	(5,676)	(122)	(6,201)
Net Expenditure	1,310	7,922	2,562	11,794
Total Assets / (Liabilities)	(1,139)	5,049	(995)	2,915

4. Income

	2009-10 £'000	2008-09 £'000
a. Income from Activities	4,763	1,926
b. Other Income		
Project Management Recharge	855	574
Planning Fees	382	587
Planning Contribution	-	-
Other Income	201	110
Total other income in the year	1,438	1,271
Total Income for the year	6,201	3,197

5. Staff numbers and related costs

Staff costs comprise

	Permanent Staff £'000	Agency & Temp Staff £'000	Board Members £'000	Total 2009-10 £'000	Total 2008-09 £'000
Wages and salaries	2,267	241	213	2,721	2,494
Social security costs	196	-	17	213	195
Other pension costs	178	-	-	178	256
Total net costs	2,641	241	230	3,112	2,945

No staff costs were capitalised during the year (2008/09: nil).

Past and present employees are covered by the provisions of the Local Government Pension Scheme (LGPS).

WNDC is an admitted member of the Scheme as administered by Northamptonshire County Council.

LGPS is a contributory final salary, defined benefit scheme with a variable contribution rate, between 5.5% and 7.5% from employees and a 14.7% contribution rate from WNDC.

There are 2 loans to employees for £2,398 (2009: 1 loan £2,590)

The average number of whole-time equivalent persons employed during the year was as follows:

	Permanent Staff	Others	Total 2009-10	Total 2008-09
Directly Employed	46	2	48	49
Other	3	3	6	9
Total	49	5	54	58

Average number of persons employed by Segment

	Planning	Regeneration	Other Core	Total 2009-10	Total 2008-09
Directly Employed	16	12	20	48	49
Other	0	1	5	6	9
Total	16	13	25	54	58

6. Other Expenditure

	2009-10 £'000	2008-09 £'000
External consultancy fees	562	1,123
Office running costs	60	44
Communication & PR	184	174
Rentals under operating leases & licences	164	154
Recruitment	107	124
Other	67	126
Legal fees	62	172
Professional fees	132	404
Training	127	99
Travel & Subsistence	53	59
Auditors' remuneration for audit work:		
National Audit Office – statutory audit work	25	24
National Audit Office – IFRS transition work	6	5
CLG Internal Audit Service	11	11
Actuaries Fee	2	-
	1,562	2,519
<i>Non-Cash Items</i>		
Depreciation	95	96
Amortisation	63	64
Impairment of Assets	4	6
Impairment of Assets	37	-
	199	166
Impairment of Inventories	-	50

7 Planning Appeal Costs

	2009-10 £'000	2008-09 £'000
	626	1,535

8 Grants Payable (Project costs)

	2009-10 £'000	2008-09 £'000
Grants payable to the public sector in respect of the following approved growth area projects:		
Northampton Public Realm Phase 1	1,976	2,393
Towcester, Moat Lane	1,420	4,359
Northampton, SNEAP Implementation project	750	1,000
Northampton, Community Foundation	375	208
I Net Revenue	282	200
Towcester, Bury Mount & Mill Streams	275	870
Northampton, Waterside	36	500
Daventry Library	126	542
Northampton, Upton Park	215	-
Northampton, Junctions Congestion Relief	160	-
Towcester, Watermeadows	107	-
Northampton, Sandy Lane Improvements	800	-
Northampton, Becketts Park	657	-
Northampton, Market Square Lighting	354	-
Northampton, A45/Flore Weedon Bypass	336	-
Northampton, University Portfolio Centre	-	1,746
Northampton, Sandy Lane Relief Road	-	1,716
Northampton, CCTV System Digital Upgrade	-	345
	7,869	13,879
Amounts payable directly to suppliers for WNDC projects:		
WNDC Project Northampton Castle Station	838	285
WNDC Project Northampton Avon Nunn Mills	232	133
WNDC Project Northampton Waterside	471	232
WNDC Project Daventry iHub	2,556	760
Construction Futures	191	122
Sport England	49	45
Arts Council Arts Delivery plan	35	45
Sustainable Design Solutions	79	-
Arts Monitoring Officer	7	-
Arts Council Innovation Pot	14	-
Other Projects	-	-
	4,472	1,622
Total Project costs	12,341	15,501

9 Leases

Operating lease in respect of office premises with Northampton RFC Limited (Company registered in England: number 3139409). WNDC has exercised its right to break from this agreement on 31 March 2011.

Operating lease in respect of office premises with Daventry District Council.

Full term of lease from 3 March 2008 to 3 March 2013, with an option to break on 3 March 2011.

Various operating leases in respect of office equipment, expiring between April 2010 and March 2015.

Total future minimum lease payments under operating leases are given in the table below for each of the following periods:

Obligations under operating leases comprise	2009-10 £'000	2008-09 £'000
<i>Expiry within 1 year</i>	149	164
<i>Expiry after 1 year but not more than 5 years</i>	98	572
Expiry hereafter	-	91

The Corporation had no finance leases during either period

10 Property Plant & Equipment

	Fixtures & Fittings £'000	Information Technology £'000	Total £'000
Cost or Valuation			
At 31 March 2009	194	356	550
Additions	11	46	57
Disposals	(6)	-	(6)
At 31 March 2010	199	402	601
Depreciation & Impairment			
At 31 March 2009	52	196	248
Charged in year	25	70	95
Impairment	4	-	4
Disposals	(6)	-	(6)
At 31 March 2010	75	266	341
Net Book Value at 31 March 2010	124	136	260
Net Book Value at 31 March 2009	142	160	302
Asset Financing			
Owned	124	136	260
Cost or Valuation			
At 1 April 2008	179	271	450
Additions	15	85	100
At 31 March 2009	194	356	550
Depreciation & Impairment			
At 1 April 2008	22	124	146
Depreciation	24	72	96
Impairment	6	-	6
At 31 March 2009	52	196	248
Net Book Value at 31 March 2009	142	160	302
Net Book Value at 31 March 2008	157	147	304
Asset Financing			
Owned	142	160	302

11 Intangible Assets

Intangible fixed assets comprise software licences

	Total £'000
Cost or valuation	
At 31 March 2009	271
Additions	9
Disposals	(129)
At 31 March 2010	<u>151</u>
Amortisation	
	£'000
At 31 March 2009	128
Charged in year	63
Impairment	37
Disposals	(129)
At 31 March 2010	<u>99</u>
Net book value 31 March 2010	<u>52</u>
Net book value 31 March 2009	<u>143</u>

Intangible fixed assets comprise software licences

	Total £'000
Cost or valuation	
At 1 April 2008	238
Additions	33
At 31 March 2009	<u>271</u>
Amortisation	
	£'000
At 1 April 2008	64
Charged in year	64
At 31 March 2009	<u>128</u>
Net book value 31 March 2009	<u>143</u>
Net book value 31 March 2008	<u>174</u>

12 Receivables

Analysis by type		2009-10	2008-09
		£'000	£'000
a	Amounts falling due within one year		
	Trade Receivables	2,051	876
	Grant Receivable	-	71
	Other Receivables – VAT	154	181
	Prepayments and accrued income	127	45
	Loans to employees	2	3
	Total	2,334	1,176

b Receivable by Segment		2009-10	2008-09
		£'000	£'000
	Regeneration	2,334	1,001
	Planning	(382)	82
	Other – Core	382	93
	Total	2,334	1,176

- c Bad Debt Provision**
No bad debt provision was made in the year ended 31 March 2010 (2009 £Nil)

d Intra Government Balances		2009-10	2008-09
		£'000	£'000
	Balances with other central government bodies	1,785	977
	Balances with local authorities	112	59
	Balances with bodies external to government	437	140
	Total	2,334	1,176

13 Inventories

	2009-10	2008-09
	£'000	£'000
Balance as at 1 April 2009	450	500
Additions in the year	2,462	-
Impairment	-	(50)
Balance as at 31 March 2010	2,912	450

WNDC will seek to purchase land where appropriate for development and regeneration purposes. The impact of the recession on the property market resulted in an impairment charge in 2008/09.

14 Cash & Cash Equivalents

	2009-10 £'000	2008-09 £'000
Balance as at 1 April 2009	3,348	3,704
Net change in cash balances	(63)	(356)
Balance as at 31 March 2010	3,285	3,348

The following balances at 31 March were held at:
Commercial banks and cash in hand

	3,285	3,348
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Note that the cash at bank and in hand balance includes S106, £2,458,046 (2009: £2,781,550) & Planning £27,189 (2009: £157,117) monies held. It also holds £Nil (2009: £Nil) worth of Euros.

15 Payables

	2009-10 £'000	2008-09 £'000
Analysis by type		
a Amount falling due within one year		
Other taxation and social security	101	97
Trade Payables	177	721
Other Creditors	-	-
Other Payables – S106	2,618	2,762
Accruals and deferred income	828	941
Corporation Tax	45	10
Total	3,769	4,531

	2009-10 £'000	2008-09 £'000
b Payables by Segment		
Regeneration	487	327
Planning	2,940	3,703
Other – Core	342	501
Total	3,769	4,531

	2009-10 £'000	2008-09 £'000
c Intra Government balances		
Balance with other central government bodies	152	103
Balance with local authorities	12	46
Balance with bodies external to government	3,605	4,382
Total	3,769	4,531

16 Provisions for liabilities and charges

There are no provisions for liabilities and charges as at 31 March 2010 (31 March 2009 £Nil)

17 Taxation

	2009-10 £'000	2008-09 £000
Corporation tax @ 21% (2009: 21%)	45	4
	<u>45</u>	<u>4</u>

18 Reserves

	2009-10 £'000	2008-09 £'000
a General Reserve		
Balance at 1 April	36,943	14,159
Transfers to other reserves	(15)	84
Grant in Aid received towards resource expenditure	4,473	5,850
Growth Area fund receive towards project expenditure	11,468	16,850
Balance at 31 March	<u>52,869</u>	<u>36,943</u>
b I&E Reserve		
Balance at 1 April	(36,055)	(16,506)
Net Expenditure	(11,740)	(19,549)
Balance at 31 March	<u>(47,795)</u>	<u>(36,055)</u>
c Reserves by Segment		
Regeneration	(10,512)	943
Planning	2,202	(813)
Other-Core	5,395	41
Total	<u>(2,915)</u>	<u>171</u>

19 Pension Cost

The Local Government Pension Scheme run by Northampton County Council to which WNDP belongs is a defined benefit final salary scheme. A full actuarial valuation was carried out at 31 March 2010 by a qualified independent actuary.

The major assumptions used by the actuary are being reported on a restated IAS 19 standard were:

	At 31/03/2010	At 31/03/2009
Rate of increase in salaries	5.3%	4.6%
Rate of increase in pensions/inflation	3.8%	3.1%
Discount rate	5.5%	6.9%
Expected return on assets	7.2%	6.4%

The assets in the scheme and the expected rate of return at 31 March 2010	£'000	£'000
Equities	7.8% 1,809	7.0% 1,012
Bonds	5.0% 381	5.4% 275
Property	5.8% 143	4.9% 101
Cash/Liquidity	4.8% 48	4.0% 58
Total market value of assets	<u>2,381</u>	<u>1,446</u>
	£'000	£'000
Present value of scheme	(4,540)	(2,164)
Deficit in the scheme	(2,159)	(717)
Analysis of the amount charged to operating profit		
Current service cost	(172)	(253)
Total operating charge	<u>(172)</u>	<u>(253)</u>
Analysis of the amount charged to other finance income		
Expected return on pension scheme assets	103	118
Interest on pension scheme liabilities	(159)	(162)
Net charge	<u>(56)</u>	<u>(44)</u>
Analysis of amount recognised in Statement of Changes in taxpayers Equity		
Actual return less expected return on pension scheme assets	486	(484)
Experience gains (losses) arising on scheme liabilities	(1,943)	826
Actuarial gain	<u>(1,457)</u>	<u>342</u>
Reconciliation of defined benefit obligation		
Opening Defined Benefit Obligation	2,163	2,485
Current Service Cost	172	253
Interest on Obligation	159	162
Contributions by Members	116	102
Actuarial (Gains)/Losses	1,943	(826)
Estimated Benefits Paid	(13)	(13)
	<u>4,540</u>	<u>2,163</u>

Reconciliation of fair value of employer assets

Opening Fair Value of Employer Assets	1,446	1,510
Expected Return on Assets	103	118
Contributions by Members	116	102
Contributions by Employer	243	213
Actuarial Gains/ (Losses)	486	(484)
Benefits Paid	(13)	(13)
	<u>2,381</u>	<u>1,446</u>

Amounts for the current and previous accounting periods

Fair Value of Employer Assets	2,381	1,446
Present Value of Defined Benefit Obligation	(4,540)	(2,163)
Deficit	<u>(2,159)</u>	<u>(717)</u>

Experience Gains/(Losses) on Assets	486	(484)
Experience Gains/(Losses) on Liabilities	-	-

Actuarial Gains/(Losses) on Employer Assets	486	(484)
Actuarial Gains/(Losses) on Obligation	(1,943)	826
Actuarial Gains/(Losses) recognised in SCTE	(1,457)	342

Year Ended	2007-08	2006-07	2005-06
	£'000	£'000	£'000
Fair Value of Employer Assets	1,510	1,179	877
Present Value of Defined Benefit Obligation	(2,485)	(1,425)	(1,079)
Deficit	<u>(975)</u>	<u>(246)</u>	<u>(202)</u>
Experience Gains/(Losses) on Assets	146	(12)	38
Experience Losses on Liabilities	(774)	(102)	(222)
Actuarial Gains/(Losses) on Employer Assets	146	(12)	38
Actuarial Losses on Obligation	(845)	(13)	(256)
Actuarial Losses recognised in SCTE	(699)	(25)	(218)

Projected Pension Expense for 2010-11

Year Ended 2010-11	£'000	% of pay
Projected Current Service Cost	408	22.9%
Interest on Obligation	264	14.8%
Expected Return on Plan Assets	(184)	(10.3%)
	<u>488</u>	<u>27.4%</u>

Movement in deficit during the year

Deficit at 1 April 2009	(717)	(975)
Current service cost	(172)	(253)
Employer contributions	243	213
Other finance charge	(56)	(44)
Actuarial gain/(loss)	(1,457)	342
Deficit at 31 March 2010	(2,159)	(717)

History of experience gains and losses	At	At
	31/03/2010	31/03/2009
	£'000	£'000
Difference between the expected and actual return on scheme assets	486	(484)
Percentage of scheme assets	20.4%	(33.5%)
Actuarial gains/ (losses) on scheme liabilities	(1,943)	826
Percentage of the present value of the scheme liabilities	(42.8%)	(38.2%)
Total amount recognised in statement of changes in taxpayers equity	(1,457)	342
Percentage of the value of the scheme liabilities	(32.1%)	(15.8%)

Pension Reserve	2009-10	2008-09
	£'000	£'000
Balance at 1 April	(717)	(975)
Actuarial Liability gain/(loss)	(1,943)	826
Movement on change in actuarial assumption	-	-
Actuarial calculation of asset gain during the year	486	(484)
Transfer from I&E	(56)	(44)
	71	(40)
Balance at 31 March	(2,159)	(717)

20 Financial Instruments

International Financial Reporting Standard (IFRS) 7 requires WNDC to disclose information on the significant of financial instruments to its financial position and performance.

WNDC is exposed to very little credit risk resulting from the non payment of debts relating to the private sector. Payment for planning applications is received up front and Project Management Recharges are received from third parties via the Growth Area Fund.

As a Non-Departmental Public Body (NDPB) funded almost exclusively by CLG and with no borrowings, WNDC is not exposed to any market or liquidity risk.

WNDC has no material deposits in interest bearing accounts given that the majority of cash held on the balance sheet relates to S106 agreements. As all material assets and liabilities are denominated in sterling, WNDC is not exposed to any significant interest rate or current risk.

21 Contingent Liability

Planning appeals

WNDC does not hold a specific contingency for planning appeals, but was able to call on a central reserve held by our sponsor Department (CLG) to meet the costs of the appeal.

VAT on land sale

WNDC recognises that the VAT recovered on the land acquired in 2007/08 may be repayable to HM Revenue & Customs if sold, depending upon the VAT status of the subsequent purchaser.

22 Contingent Asset

Project Management Recharge Income

WNDC enters into a grant funding agreement with the applicant which establishes potential income from a project management recharge, the recovery of which is not sufficiently certain to recognise in the financial statements as its recovery is subject to the availability of funding and the completion of projects.

23 Related Party Transactions

As WNDC is a NDPB sponsored by CLG, CLG is regarded as a related party, as are other entities that it sponsors.

As part of its strategy for sustainable development, WNDC has an interest with four other parties in iCon (East Midlands), a company limited by guarantee. WNDC acts as grant recipient for the entity and in order to ensure funding objectives are met WNDC has a £1 share limited by guarantee in iCon (EM) Ltd and the right to appoint one director to its Board. In the year, WNDC has granted £592k of GAF funding and at the date of the Statement of Financial Position, WNDC has a receivable of £348k due from iCon (EM) Ltd.

WNDC had transactions during the normal course of its business with Northampton Borough Council, Northamptonshire County Council, Daventry District Council and South Northamptonshire Council. Cllr Sandra Barnes (South Northamptonshire), Cllr Chris Millar (Daventry), Cllr Tony Woods (Northampton), Cllr Richard Church (Northamptonshire), Cllr Joy Capstick (Northampton) and Cllr Jim Harker (Northamptonshire), Cllr Ben Smith (Northamptonshire) and Lee Barron (nominated by Northampton Borough Council) are Board Members of the corporation nominated by those local authorities.

No other Board member, key management staff or other related parties have undertaken any material transactions with WNDC during the year.

24 Commitments

At the balance sheet date WNDC has no grant or capital commitments.

25 Liquid Resources

WNDC operates current account facilities with Lloyds TSB plc and 2 Fixed rate Bonds with National Westminster Bank plc. There were no other financial instruments maintained by the Corporation during the year.

26 Events after the reporting period

WNDC's financial statements are laid before the House of Parliament by the Secretary of State for Communities and Local Government. IAS 10 requires WNDC to disclose the date on which the accounts are authorised for issue. This is the date on which the certified accounts are despatched to the Secretary of State for Communities and Local Government.

The authorised date for issue is 2 July 2010

ACCOUNTS DIRECTION

WEST NORTHAMPTONSHIRE DEVELOPMENT CORPORATION

ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE WITH THE CONSENT OF THE TREASURY, IN ACCORDANCE WITH PARAGRAPH 10(3) OF SCHEDULE 31 TO THE LOCAL GOVERNMENT, PLANNING AND LAND ACT 1980

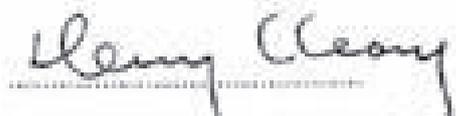
1. The annual financial statements of West Northants Development Corporation (hereafter in this accounts direction referred to as "the Corporation") shall give a true and fair view of the income and expenditure and cash flows for the year and the state of affairs at the year end. Subject to this requirement, the financial statements for 2009/10 and for subsequent years shall be prepared in accordance with:-

- (a) the accounting and disclosure requirements given in *Managing Public Money* and in the *Government Financial Reporting Manual* issued by the Treasury ("the FReM") as amended or augmented from time to time;
- (b) any other relevant guidance that the Treasury may issue from time to time;
- (c) any other specific disclosure requirements of the Secretary of State;

insofar as these requirements are appropriate to the Corporation and are in force for the year for which the financial statements are prepared, and except where agreed otherwise with the Secretary of State and the Treasury, in which case the exception shall be described in the notes to the financial statements.

- 2. Schedule 1 to this direction gives additional disclosure requirements of the Secretary of State.
- 3. This direction shall be reproduced as an appendix to the financial statements.
- 4. This direction replaces all previously issued directions.

Signed by authority of the Secretary of State for Communities and Local Government



An officer in the Department for Communities and Local Government

Date 31 March 2010

SCHEDULE 1

ADDITIONAL DISCLOSURE REQUIREMENTS

The following information shall be disclosed in the annual accounts, as a minimum, and in addition to the information required to be disclosed by paragraph 1 of this direction.

(a) an analysis of grants from:

- (i) government departments
- (ii) European Community funds
- (iii) other sources identified as to each source;

(b) an analysis the total amount of grant from the Department for Communities and Local Government, showing how the grant was used;

(c) an analysis of grants included as expenditure in the income and expenditure account and a statement of the total value of grant commitments not yet included in the income and expenditure account;

(d) details of employees, other than board members, showing:-

(i) the average number of persons employed during the year, including part-time employees, agency or temporary staff and those on secondment or loan to the Corporation, but excluding those on secondment or loan to other organisations, analysed between appropriate categories (one of which is those whose costs of employment have been capitalised)

(ii) the total amount of loans to employees

(iii) employee costs during the year, showing separately:-

- (1) wages and salaries
- (2) early retirement costs
- (3) social security costs
- (4) contributions to pension schemes
- (5) payments for unfunded pensions
- (6) other pension costs
- (7) amounts recoverable for employees on secondment or loan to other organisations

(The above analysis shall be given separately for the following categories:

- (i) employed directly by the Corporation
- (ii) on secondment or loan to the Corporation
- (iii) agency or temporary staff
- (iv) employee costs that have been capitalised);

(e) in the note on receivables, prepayments and payments on account shall each be identified separately;

(f) a statement of debts written off and movements in provisions for bad and doubtful debts;

(g) a statement of losses and special payments during the year, being transactions of a type which Parliament cannot be supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £250,000, with separate disclosure and particulars of any individual amounts in excess of £250,000. Disclosure shall also be made of any loss or special payment of £250,000 and below if it is considered material in the context of the Corporation's operations.

*(h) particulars, as required by the accounting standard on related party disclosures, of material transactions during the year and outstanding balances at the year end (other than those arising from a contract of service or of employment with the Corporation), between the Corporation and a party that, at any time during the year, was a related party. For this purpose, notwithstanding anything in the accounting standard, the following assumptions shall be made:

- (i) transactions and balances of £5,000 and below are not material
- (ii) parties related to board members and key managers are as notified to the Corporation by each individual board member or key manager
- (iii) the following are related parties:
 - (1) subsidiary and associate companies of the Corporation
 - (2) pensions funds for the benefit of employees of the Corporation or its subsidiary companies (although there is no requirement to disclose details of contributions to such funds)
 - (3) board members and key managers of the Corporation
 - (4) members of the close family of board members and key managers
 - (5) companies in which a board member or a key manager is a director
 - (6) partnerships and joint ventures in which a board member or a key manager is a partner or venture
 - (7) trusts, friendly societies and industrial and provident societies in which a board member or a key manager is a trustee or committee member
 - (8) companies, and subsidiaries of companies, in which a board member or a key manager has a controlling interest
 - (9) settlements in which a board member or a key manager is a settlor or beneficiary
 - (10) companies, and subsidiaries of companies, in which a member of the close family of a board member or of a key manager has a controlling interest

(11) partnerships and joint ventures in which a member of the close family of a board member or of a key manager is a partner or venture

(12) settlements in which a member of the close family of a board member or of a key manager is a settlor or beneficiary

(13) the Department for Communities and Local Government, as the sponsor department for the Corporation.

For the purposes of this sub-paragraph:

- (i) A key manager means a member of the Corporation's management board.
- (ii) The close family of an individual is the individual's spouse, the individual's relatives and their spouses, and relatives of the individual's spouse. For the purposes of this definition, "spouse" includes personal partners, and "relatives" means brothers, sisters, ancestors, lineal descendants and adopted children.
- (iii) A controlling shareholder of a company is an individual (or an individual acting jointly with other persons by agreement) who is entitled to exercise (or control the exercise of) 30% or more of the rights to vote at general meetings of the company, or who is able to control the appointment of directors who are then able to exercise a majority of votes at Corporation meetings of the company.

* Note to paragraph (h) of Schedule 1: under the Data Protection Act 1998 individuals need to give their consent for some of the information in these sub-paragraphs to be disclosed. If consent is withheld, this should be stated next to the name of the individual.



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