

Reg. 16

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
A COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED

31ST DECEMBER 2002

Company No: 120076 (England and Wales)

ALAN GLAZIER & CO.

Chartered Accountants

Birkenhead



WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
A COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002

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The following do not form part of the statutory financial statements

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WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
A COMPANY LIMITED BY GUARANTEE

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YEAR ENDED 31ST DECEMBER 2002

PRESIDENT

G.H. Alcock

VICE-PRESIDENT

G.J. White

DIRECTORS

R.J. Ellershaw - Chairman
G.J. White - Vice Chairman
S. Caulfield
K.W. Davies
L. Embra
R. Fearon
A. Glazier
G. Jenkinson
T. Mc Ardle
R.J. Mottram
J. Reeves
R. Spearing - Resigned 16th May 2002

COMPANY SECRETARY

J. Reeves

REGISTERED OFFICE

Lord Leverhulme Chambers
16 Grange Road West
Birkenhead
Wirral
CH41 4DA

COMPANY NUMBER

120076

BANKERS

HSBC
Royal Bank of Scotland Plc.

AUDITORS

Priory Practice Limited
1 Abbots Quay
Birkenhead
Wirral CH41 5LH

REPORT OF THE DIRECTORS
YEAR ENDED 31ST DECEMBER 2002

The Directors present herewith their report and audited financial statements of the Company for the year ended 31st December 2002.

Principal Activities

The principal activity of the Company is that of a Chamber of Commerce.

Business Review

Results

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Profit after tax for the year	£ 8513	£ 11686
	=====	=====

In the year to 31st December 2002 the Wirral Chamber of Commerce and Industry commenced the management of a Town Centre Manager contract for Birkenhead. This project is for a period of three years, financed by the Local Authority, Wirral Waterfront and local businesses acting in partnership. The Chamber has overall responsibility for both the general management and the administration of the scheme for which it receives a management fee. The income and expenditure of the scheme is included as part of the Profit and Loss Account of the Chamber for the year. Monies received during the year in respect of future financial periods is shown as Deferred Income in the Balance Sheet.

Fixed Assets

The movement in fixed assets for the year is set out in the notes to the financial statements.

Directors

The Directors who served during the year were as follows:-

R.J. Ellershaw - Chairman
G.J. White - Vice Chairman
S. Caulfield
K.W. Davies
L. Embra
R. Fearon
A. Glazier
G. Jenkinson
T. Mc Ardle
R.J. Mottram
J. Reeves
R. Spearing - Resigned 16th May 2002

Close Company Status

The Company is a close company within the provisions of the Income and Corporation Taxes Act 1998.

REPORT OF THE DIRECTORS
YEAR ENDED 31ST DECEMBER 2002 (Cont'd)

Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial year which 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 those financial statements, the Directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Auditors

The Auditors, Priory Practice Limited, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

The report of the Directors was approved by the Board on 22nd January 2003 and signed on their behalf by



R.J. Ellershaw
Director

Independent Auditors Report to the Members of
Wirral Chamber of Commerce and Industry

We have audited the financial statements of the Wirral Chamber of Commerce and Industry for the year ended 31st December 2002 which comprise the Profit and Loss Account, the Balance Sheet and the related notes numbered 1 to 15. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by the 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, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors.

As described in the Statement of Directors' Responsibilities the Company's Directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

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

Basis of opinion.

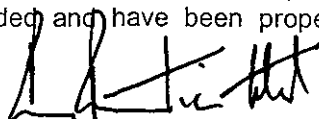
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates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

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

Opinion.

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31st December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

1 Abbots Quay
Birkenhead
Wirral CH41 5LH


Priority Practice Limited
Registered Auditors

28th February 2003

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2002

	<u>Notes</u>	2002 £	2001 £
TURNOVER			
Continuing operations	2	183538	133237
Net operating expenses	3	<u>173566</u>	<u>120946</u>
OPERATING PROFIT	4	9972	12291
Continuing Operations			
Interest receivable and similar income	7	1202	2430
Interest payable and similar charges	8	<u>(2069)</u>	<u>(755)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9105	13966
Taxation on ordinary activities	9	<u>592</u>	<u>2280</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		8513	11686
RETAINED PROFIT FOR THE FINANCIAL YEAR		£ <u>8513</u>	£ <u>11686</u>

There were no acquisitions or discontinued activities during the current or preceding year.

There were no recognised gains and losses in 2002 or 2001 other than those recognised in the profit and loss account.

The notes on pages 7 to 12 form an integral part of the financial statements.

BALANCE SHEET
as at 31st December 2002

		<u>2002</u>		<u>2001</u>	
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>					
Tangible Assets	10		81789		84957
<u>CURRENT ASSETS</u>					
Debtors	11	10518		3243	
Cash and Bank		99096		56117	
		<u>109614</u>		<u>59360</u>	
<u>CREDITORS:</u> amounts falling due within one year	12	<u>71674</u>		<u>38076</u>	
<u>Net Current Assets</u>			<u>37940</u>		<u>21284</u>
<u>Total Assets less Current Liabilities</u>			119729		106241
<u>CREDITORS:</u> amounts falling due after more than one year	13		35063		30088
<u>NET ASSETS</u>		£	<u>84666</u>	£	<u>76153</u>
<u>CAPITAL AND RESERVES</u>					
Profit and Loss Account	14		84666		76153
<u>TOTAL MEMBERS' FUNDS</u>	15	£	<u>84666</u>	£	<u>76153</u>

The financial statements were approved by the Board of Directors on 22nd January 2003 and signed on its behalf by



R.J. Ellershaw - Director

The notes on pages 7 -12 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and incorporate the results of the principal activity which is described in the Directors' Report and which is continuing.

b. Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation.

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

Premises	2% on straight line
Fixtures and Fittings	20% on straight line

c. Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation (which arises from difference in the timing of the recognition of items, principally depreciation, in the accounts and by the tax authorities) has been calculated on the liability method. Deferred tax is provided on timing differences, which will probably reverse at the rates of tax likely to be in force at the time of reversal. Deferred tax is not provided on timing differences which, in the opinion of the Directors, will probably not reverse.

d. Government Grants

Grants on capital expenditure are treated as a deferred credit and are released to the Profit and Loss Account in equal instalments over the estimated useful life of the related assets. Grants of a revenue nature are credited to income in the period to which they relate.

e. Turnover

Turnover comprises the value of subscriptions and other income (excluding V.A.T. and similar taxes) arising in the normal course of business.

f. Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002 (Cont'd)

g. Cash Flow Statement

The Company has taken advantage of the exemption in Financial Reporting Standard No.1 from producing a cash flow statement on the grounds that it is a small company.

2. TURNOVER

Turnover and profit on ordinary activities before taxation are attributable to the principal activity.

3. COST OF SALES AND NET OPERATING EXPENSES

	<u>2002</u> £	<u>2001</u> £
Net operating expenses, Premises and Administrative expenses	170398	117625
Depreciation	3168	3321
	-----	-----
	£ 173566	£ 120946
	=====	=====

4. OPERATING PROFIT

	<u>2002</u> £	<u>2001</u> £
Profit on ordinary activities is stated after charging:		
Auditor's remuneration	750	700
Depreciation of Tangible assets: owned	3168	3321
Staff costs (Note 5)	79860	49997
	=====	=====

5. DIRECTORS AND EMPLOYEES

Particulars of employees (including Directors) are shown below:

Directors and Employee costs during the year amounts to:

	<u>2002</u> £	<u>2001</u> £
Staff Salaries	73571	46397
Social Security Costs	6289	3600
	-----	-----
	£ 79860	£ 49997
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002 (Cont'd)

5. DIRECTORS AND EMPLOYEES (Cont'd)

The average monthly numbers of employees during the year were as follows:-

	<u>2002</u> <u>No.</u>	<u>2001</u> <u>No.</u>
Management and Administration	4	4

Details of Directors' emoluments are:

	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
Remuneration as Executives	£ 30120 =====	£ 30320 =====

6. INCOME FROM FIXED ASSET INVESTMENTS

	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
Rent and Storage Charges	6175 =====	- =====

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
Bank interest receivable	£ 1202 =====	£ 2430 =====

8. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
Interest on loans repayable within five years	£ 2069 =====	£ 755 =====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002 (Cont'd)

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Corporation Tax at 6.50% (2001 13.55%)	592	1892
Under provision Prior Years	-	388
	-----	-----
	£ 592	£ 2280
	=====	=====

10. TANGIBLE FIXED ASSETS

	<u>Freehold</u>	<u>Fixtures &</u>	<u>Total</u>
	<u>Premises</u>	<u>Fittings</u>	
	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>			
At 1st January 2002	81510	11172	92682
Additions	-	-	-
Disposals	-	(2951)	(2951)
	-----	-----	-----
At 31st December 2002	81510	8221	89731
	=====	=====	=====
<u>Depreciation</u>			
At 1st January 2002	1630	6095	7725
Charge for the year	1630	1538	3168
Released on Disposals	-	(2951)	(2951)
	-----	-----	-----
At 31st December 2002	3260	4682	7942
	=====	=====	=====
<u>Net Book Value</u>			
At 31st December 2002	£ 78250	3539	81789
	=====	=====	=====
At 31st December 2001	£ 79880	5077	84957
	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002 (Cont'd)

11. DEBTORS

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Trade Debtor	4843	2323
Other Debtors	5000	-
Prepayments	675	920
	-----	-----
	£ 10518	£ 3243
	=====	=====

12. CREDITORS: amounts falling due within one year.

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Bank Loan (Secured)	7595	7495
Trade Creditors	18757	18092
Social Security and Other Taxes	4065	3852
Corporation Tax	385	1475
Accruals	4114	7162
Deferred Income	36758	-
	-----	-----
	£ 71674	£ 38076
	=====	=====

The Bank Loan is secured on the Freehold premises. The Company has granted a floating charge on all its assets to secure bank overdrafts of £5,000 (2001 - £5,000).

13. CREDITORS: amounts falling due after more than one year

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Payable between one and five years		
Bank Loan (Secured)	22563	30088
Deferred Income	12500	-
	-----	-----
	£ 35063	£ 30088
	=====	=====

The Bank Loan is secured on the Freehold premises.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002 (Cont'd)

14. RESERVES

PROFIT AND LOSS ACCOUNT

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
At 1st January 2002	76153	64467
Profit for the year	8513	11686
At 31st December 2002	£ 84666	£ 76153
	=====	=====

15. RECONCILIATION OF MOVEMENTS
IN MEMBERS' FUNDS

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Profit for the financial year		
Net addition to Members' Fund	8513	11686
Opening Members' Funds	76153	64467
Closing Members' Funds	£ 84666	£ 76153
	=====	=====