

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
A COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED

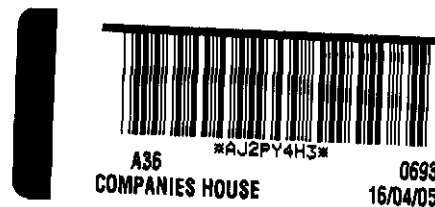
31ST DECEMBER 2004

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 2004

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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 2004

PRESIDENT

G.H. Alcock

VICE-PRESIDENT

G.J. White

DIRECTORS

G.J. White - Chairman
G.W. Jenkinson - Vice-Chairman
S.B. Caulfield
K.W. Davies
R.J. Ellershaw
L.D. Embra
A. Glazier
A.P. Mc Ardle
H.J. Reeves
F. Clennell (Appointed 03/06/2004)
R.J. Mottram (Resigned 03/06/2004)

COMPANY SECRETARY

R.J. Ellershaw

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 2004

The Directors present herewith their report and audited financial statements of the Company for the year ended 31st December 2004.

Principal Activities

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

Business Review

Results

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Profit after tax for the year	£ 21193 =====	£ 19274 =====

In the year to 31st December 2004 the Wirral Chamber of Commerce and Industry continued the management of the Wirral Crime Alert and Town Centre Manager projects. The Chamber has overall responsibility for the administration of the schemes for which it receives a management fee. The income and expenditure of the schemes 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:-

G.J. White - Chairman
G.W. Jenkinson - Vice-Chairman
S.B. Caulfield
K.W. Davies
R.J. Ellershaw
L.D. Embra
A. Glazier
A.P. Mc Ardle
H.J. Reeves
F. Clennell (Appointed 03/06/2004)
R.J. Mottram (Resigned 03/06/2004)

REPORT OF THE DIRECTORS
YEAR ENDED 31ST DECEMBER 2004 (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.

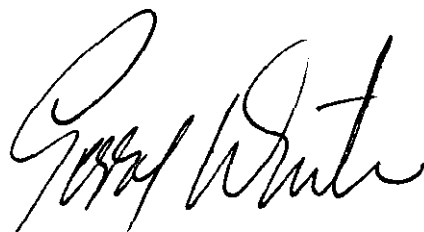
The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets 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 2nd February 2005 and signed on their behalf by

G.J. White
Director

A handwritten signature in black ink, appearing to read 'G.J. White', written over a horizontal line.

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 2004 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.

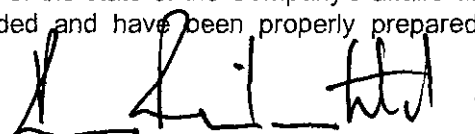
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 2004 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


Priory Practice Limited
Registered Auditors

28th February 2005

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2004

	<u>Notes</u>	<u>2004</u> £	<u>2003</u> £
TURNOVER			
Continuing operations	2	302996	232611
Net operating expenses	3	<u>277360</u>	<u>209084</u>
OPERATING PROFIT	4	25636	23527
Continuing Operations			
Interest receivable and similar income	6	1525	1093
Interest payable and similar charges	7	<u>(1172)</u>	<u>(1524)</u>
PROFIT ON ORDINARY ACTIVITIES			
BEFORE TAXATION		25989	23096
Taxation on ordinary activities	8	<u>4796</u>	<u>3822</u>
PROFIT ON ORDINARY ACTIVITIES			
AFTER TAXATION		21193	19274
RETAINED PROFIT FOR THE FINANCIAL YEAR		£ <u>21193</u>	£ <u>19274</u>

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

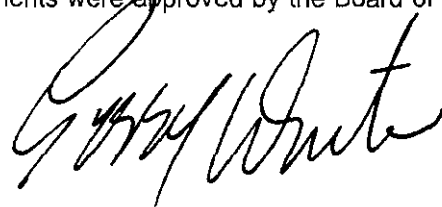
There were no recognised gains and losses in 2004 or 2003 other than those recognised in the profit and loss account.

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

BALANCE SHEET
as at 31st December 2004

		<u>2004</u>		<u>2003</u>	
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>					
Tangible Assets	9		75763		78669
<u>CURRENT ASSETS</u>					
Debtors	10	31308		7398	
Cash and Bank		147059		120892	
		178367		128290	
<u>CREDITORS:</u> amounts falling due within one year	11	123797		86727	
<u>Net Current Assets</u>			54570		41563
<u>Total Assets less Current Liabilities</u>			130333		120232
<u>CREDITORS:</u> amounts falling due after more than one year	12		5200		16292
<u>NET ASSETS</u>		£	125133	£	103940
<u>CAPITAL AND RESERVES</u>					
Profit and Loss Account	13		125133		103940
<u>TOTAL MEMBERS' FUNDS</u>	14	£	125133	£	103940

The financial statements were approved by the Board of Directors on 2nd February 2005 and signed on its behalf by



G.J. White - Director

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

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2004

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 not been provided in these Accounts because it is not material.

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 2004 (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>2004</u> £	<u>2003</u> £
Net operating expenses, Premises and Administrative expenses	274454	205964
Depreciation	2906	3120
	-----	-----
	£ 277360	£ 209084
	=====	=====

4. OPERATING PROFIT

	<u>2004</u> £	<u>2003</u> £
Profit on ordinary activities is stated after charging:		
Auditor's remuneration	1250	1000
Depreciation of Tangible assets: owned	2906	3120
Staff costs (Note 5)	138232	99673
	=====	=====

5. DIRECTORS AND EMPLOYEES

Particulars of employees (including Directors) are shown below:

Directors and Employee costs during the year amounts to:

	<u>2004</u> £	<u>2003</u> £
Staff Salaries	126319	91130
Social Security Costs	11913	8543
	-----	-----
	£ 138232	£ 99673
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2004 (Cont'd)

5. DIRECTORS AND EMPLOYEES (Cont'd)

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

	<u>2004</u> <u>No.</u>	<u>2003</u> <u>No.</u>
Management and Administration	7	7

Details of Directors' emoluments are:

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Remuneration as Executives	£ 31120 =====	£ 30620 =====

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Bank interest receivable	£ 1525 =====	£ 1093 =====

7. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Interest on loans repayable within five years	£ 1172 =====	£ 1524 =====

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2004 (Cont'd)

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>2004</u> £	<u>2003</u> £
Corporation Tax at 18.45% (2003 16.50%)	£ 4796 =====	£ 3822 =====

9. TANGIBLE FIXED ASSETS

	<u>Freehold</u> <u>Premises</u> £	<u>Fixtures &</u> <u>Fittings</u> £	<u>Total</u> £
<u>Cost</u>			
At 1st January 2004	81510	8221	89731
Additions	-	-	-
Disposals	-	-	-
At 31st December 2004	<u>81510</u>	<u>8221</u>	<u>89731</u>
<u>Depreciation</u>			
At 1st January 2004	4890	6172	11062
Charge for the year	1630	1276	2906
Released on Disposals	-	-	-
At 31st December 2004	<u>6520</u>	<u>7448</u>	<u>13968</u>
<u>Net Book Value</u>			
At 31st December 2004	£ <u>74990</u>	<u>773</u>	<u>75763</u>
At 31st December 2003	£ <u>76620</u>	<u>2049</u>	<u>78669</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2004 (Cont'd)

10. DEBTORS

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Trade Debtors	30313	6448
Other Debtors	-	-
Prepayments	995	950
	-----	-----
	£ 31308	£ 7398
	=====	=====

11. CREDITORS: amounts falling due within one year.

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Bank Loan (Secured)	8664	8395
Trade Creditors	9984	5510
Social Security and Other Taxes	4654	1405
Corporation Tax	4528	3627
Accruals	10186	4410
Deferred Income	85781	63380
	-----	-----
	£ 123797	£ 86727
	=====	=====

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 (2003 - £5,000).

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

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Payable between one and five years		
Bank Loan (Secured)	5200	13792
Deferred Income	-	2500
	-----	-----
	£ 5200	£ 16292
	=====	=====

The Bank Loan is secured on the Freehold premises.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2004 (Cont'd)

13. RESERVES

PROFIT AND LOSS ACCOUNT

	<u>2004</u> £	<u>2003</u> £
At 1st January 2004	103940	84666
Profit for the year	21193	19274
At 31st December 2004	£ 125133 =====	£ 103940 =====

14. RECONCILIATION OF MOVEMENTS
IN MEMBERS' FUNDS

	<u>2004</u> £	<u>2003</u> £
Profit for the financial year		
Net addition to Members' Fund	21193	19274
Opening Members' Funds	103940	84666
Closing Members' Funds	£ 125133 =====	£ 103940 =====

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2004

	<u>2004</u>		<u>2003</u>	
	£	£	£	£
<u>Income</u>				
Subscriptions		71873		72995
Town Centre Manager		84259		80766
Wirral Crime Alert		48843		9064
Functions		20683		18916
Mail Shots		2666		3004
Export Documentation		25123		22137
Commission Received		602		257
Rent and Storage Charges		13160		11000
Management Charges		11160		6574
Bank Interest Receivable		1525		1093
Information Services/Seminars		24627		7898
		<u>304521</u>		<u>233704</u>
<u>Expenditure</u>				
Town Centre Manager	84259		80766	
Wirral Crime Alert	48843		9064	
Functions	14554		15434	
Export Documentation	14718		12061	
Information Services/Seminars	20274		6889	
Premises Expenses	7903		6947	
Administrative Expenses	85075		76327	
Depreciation	2906		3120	
		<u>278532</u>		<u>210608</u>
NET PROFIT FOR THE YEAR				
BEFORE TAXATION		25989		23096
Taxation		<u>4796</u>		<u>3822</u>
NET PROFIT FOR THE YEAR				
AFTER TAXATION		21193		19274
RETAINED PROFIT				
BROUGHT FORWARD		103940		84666
RETAINED PROFIT CARRIED FORWARD	£	<u><u>125133</u></u>	£	<u><u>103940</u></u>

This page does not form part of the Company's Statutory Accounts and is prepared for the information of the Directors only.

PROFIT AND LOSS ACCOUNT SUMMARIES
YEAR ENDED 31ST DECEMBER 2004

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
<u>Premises Expenses</u>		
Rates	3822	3448
Heat, Light and Cleaning	2989	2940
Repairs and Maintenance	1092	559
	<u>£ 7903</u>	<u>£ 6947</u>

Administrative Expenses

Salaries	41759	39796
NIC Employer	4603	3978
Advertising	650	325
Travel and Subsistence	3707	3190
Recruitment and Training	510	394
Accountancy	5700	5500
Audit	1250	1000
Insurance	3936	3978
Postage	3347	2012
Stationery and Computer Costs	4616	3099
Telephone	2479	2395
Sundry Expenses	1108	529
Legal Fees	250	-
Charity Donations	1500	460
Subscriptions	531	591
Affiliation Fees and Licences	5258	4867
Consortium Costs	2574	2590
Bank Charges	125	99
Bank Interest	1172	1524
	<u>£ 85075</u>	<u>£ 76327</u>

Depreciation

Depreciation of Fixtures and Fittings	<u>£ 2906</u>	<u>£ 3120</u>
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This page does not form part of the Company's Statutory Accounts and is prepared for the information of Directors only.

PROFIT AND LOSS ACCOUNT SUMMARIES
YEAR ENDED 31ST DECEMBER 2004

TOWN CENTRE MANAGER

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
<u>Income</u>		
Grants	55109	51808
Income from Contributors	29150	24900
Radio Licence and Misc. Income	-	4058
	<u>£ 84259</u>	<u>£ 80766</u>

<u>Expenditure</u>		
Salaries	50000	43000
NIC Employer	5193	4237
Rent	8580	8580
Marketing and Promotional Costs	2241	9270
Administration, Travel and General Expenses	10585	9688
Management Charges	7660	5991
	<u>£ 84259</u>	<u>£ 80766</u>

WIRRAL CRIME ALERT

Grant Income	<u>£ 48843</u>	<u>£ 9064</u>
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<u>Expenditure</u>		
Salary	21250	3333
NIC Employer	2117	329
Rent	2580	420
Marketing	631	-
Administration, Computer Travel and General Expenses	5022	2271
Recruitment	-	461
Community Fund Expenses	4993	-
WCCI Management Charges	3500	583
BCD Management Charges	8750	1667
	<u>£ 48843</u>	<u>£ 9064</u>