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**WIRRAL CHAMBER OF COMMERCE AND INDUSTRY**  
**A COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS**

**YEAR ENDED**

**31ST DECEMBER 2005**

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 2005**

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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 2005**

**PRESIDENT**

G.H. Alcock

**VICE-PRESIDENT**

G.J. White

**DIRECTORS**

G.J. White - Chairman  
G.W. Jenkinson - Vice-Chairman  
S.B. Caulfield  
F. Clennell  
K.W. Davies  
R.J. Ellershaw  
L.D. Embra  
A. Glazier  
A.P. Mc Ardle  
H.J. Reeves

**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 2005**

The Directors present herewith their report and audited financial statements of the Company for the year ended 31st December 2005.

**Principal Activities**

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

**Business Review**

**Results**

|                               | <u>2005</u><br>£ | <u>2004</u><br>£ |
|-------------------------------|------------------|------------------|
| Profit after tax for the year | £ 25410<br>===== | £ 21193<br>===== |

In the year to 31st December 2005 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 |                 |
| F. Clennell    |                 |
| K.W. Davies    |                 |
| R.J. Ellershaw |                 |
| L.D. Embra     |                 |
| A. Glazier     |                 |
| A.P. Mc Ardle  |                 |
| H.J. Reeves    |                 |

**REPORT OF THE DIRECTORS**  
**YEAR ENDED 31ST DECEMBER 2005 (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.

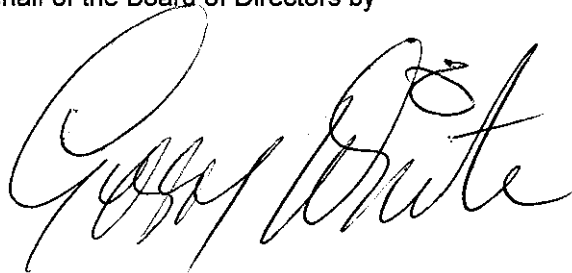
**Auditors**

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 26th January 2006.

The financial statements were authorised for issue on 26th January 2006 by the Board of Directors.

Signed on behalf of the Board of Directors by

A large, stylized handwritten signature in black ink, appearing to read 'G.J. White', is written over the printed name and title.

G.J. White  
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 2005 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 International Standards on Auditing (UK and Ireland).

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 International Standards on Auditing (UK and Ireland) 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.

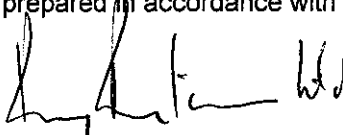
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Company's affairs as at 31st December 2005 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

17th March 2006

  
Priority Practice Limited  
Registered Auditors

**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31ST DECEMBER 2005**

|   | <u>Notes</u> | <u>2005</u><br>£ | <u>2004</u><br>£ |
|---|--------------|------------------|------------------|
| <b>TURNOVER</b>                               |              |                  |                  |
| Continuing operations                         | 2            | 331610           | 302996           |
| Net operating expenses                        | 3            | <u>301324</u>    | <u>277360</u>    |
| <b>OPERATING PROFIT</b>                       | 4            | 30286            | 25636            |
| Continuing Operations                         |              |                  |                  |
| Interest receivable and similar income        | 6            | 768              | 1525             |
| Interest payable and similar charges          | 7            | <u>(674)</u>     | <u>(1172)</u>    |
| <b>PROFIT ON ORDINARY ACTIVITIES</b>          |              |                  |                  |
| <b>BEFORE TAXATION</b>                        |              | 30380            | 25989            |
| Taxation on ordinary activities               | 8            | <u>4970</u>      | <u>4796</u>      |
| <b>PROFIT ON ORDINARY ACTIVITIES</b>          |              |                  |                  |
| <b>AFTER TAXATION</b>                         |              | 25410            | 21193            |
| <b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b> |              | £ <u>25410</u>   | £ <u>21193</u>   |

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

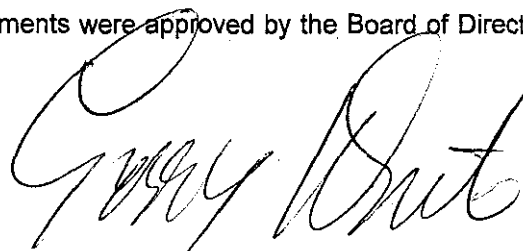
There were no recognised gains and losses in 2005 or 2004 other than those recognised in the profit and loss account.

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

**BALANCE SHEET**  
**as at 31st December 2005**

|  |              | <u>2005</u>   |                 | <u>2004</u>   |                 |
|--|--------------|---------------|-----------------|---------------|-----------------|
|  | <u>Notes</u> | <u>£</u>      | <u>£</u>        | <u>£</u>      | <u>£</u>        |
| <b><u>FIXED ASSETS</u></b>   |              |               |                 |               |                 |
| Tangible Assets  | 9            |               | 73360           |               | 75763           |
| <b><u>CURRENT ASSETS</u></b>   |              |               |                 |               |                 |
| Debtors  | 10           | 27127         |                 | 31308         |                 |
| Cash and Bank  |              | <u>174187</u> |                 | <u>147059</u> |                 |
|  |              | 201314        |                 | 178367        |                 |
| <b><u>CREDITORS:</u></b> amounts falling<br>due within one year          | 11           | <u>124131</u> |                 | <u>123797</u> |                 |
| <b><u>Net Current Assets</u></b>   |              |               | <u>77183</u>    |               | <u>54570</u>    |
| <b><u>Total Assets less Current Liabilities</u></b>                      |              |               | 150543          |               | 130333          |
| <b><u>CREDITORS:</u></b> amounts falling<br>due after more than one year | 12           |               | -               |               | 5200            |
| <b><u>NET ASSETS</u></b>   |              |               | <u>£ 150543</u> |               | <u>£ 125133</u> |
| <b><u>CAPITAL AND RESERVES</u></b>                                       |              |               |                 |               |                 |
| Profit and Loss Account  | 13           |               | 150543          |               | 125133          |
| <b><u>TOTAL MEMBERS' FUNDS</u></b>                                       | 14           |               | <u>£ 150543</u> |               | <u>£ 125133</u> |

The financial statements were approved by the Board of Directors on 26th January 2006 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 2005**

**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 2005 (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>2005</u><br>£ | <u>2004</u><br>£ |
|---|------------------|------------------|
| Net operating expenses, Premises<br>and Administrative Expenses | 298921           | 274454           |
| Depreciation  | 2403             | 2906             |
|   | £ 301324         | £ 277360         |
|   | =====            | =====            |

**4. OPERATING PROFIT**

|  | <u>2005</u><br>£ | <u>2004</u><br>£ |
|--|------------------|------------------|
| Profit on ordinary activities is stated<br>after charging: |                  |                  |
| Auditor's remuneration                                     | 1300             | 1250             |
| Depreciation of<br>Tangible assets: owned                  | 2403             | 2906             |
| Staff costs (Note 5)                                       | 152503           | 138232           |
|  | =====            | =====            |

**5. DIRECTORS AND EMPLOYEES**

Particulars of employees (including Directors) are shown below:

Directors and Employee costs during the year amounts to:

|                       | <u>2005</u><br>£ | <u>2004</u><br>£ |
|-----------------------|------------------|------------------|
| Staff Salaries        | 139423           | 126319           |
| Social Security Costs | 13080            | 11913            |
|                       | £ 152503         | £ 138232         |
|                       | =====            | =====            |

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2005 (Cont'd)**

**5. DIRECTORS AND EMPLOYEES (Cont'd)**

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

|                               | <u>2005</u><br><u>No.</u> | <u>2004</u><br><u>No.</u> |
|-------------------------------|---------------------------|---------------------------|
| Management and Administration | 7                         | 7                         |

Details of Directors' emoluments are:

|                            | <u>2005</u><br><u>£</u> | <u>2004</u><br><u>£</u> |
|----------------------------|-------------------------|-------------------------|
| Remuneration as Executives | £ 36128<br>=====        | £ 31120<br>=====        |

**6. INTEREST RECEIVABLE AND SIMILAR INCOME**

|                          | <u>2005</u><br><u>£</u> | <u>2004</u><br><u>£</u> |
|--------------------------|-------------------------|-------------------------|
| Bank interest receivable | £ 768<br>===            | £ 1525<br>=====         |

**7. INTEREST PAYABLE AND SIMILAR CHARGES**

|   | <u>2005</u><br><u>£</u> | <u>2004</u><br><u>£</u> |
|---|-------------------------|-------------------------|
| Interest on loans repayable within five years | £ 674<br>===            | £ 1172<br>=====         |

**8. TAXATION**

**Analysis of the Tax Charge**

|   | <u>2005</u><br><u>£</u> | <u>2004</u><br><u>£</u> |
|---|-------------------------|-------------------------|
| Current tax:                            |                         |                         |
| Corporation Tax at 16.42% (2004 15.88%) | 5326                    | 4796                    |
| Overprovision in prior year             | (356)                   | -                       |
|   | -----                   | -----                   |
|   | £ 4970<br>=====         | £ 4796<br>=====         |

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2005 (Cont'd)**

**8. TAXATION (Cont'd)**

**Factors affecting the tax charge**

The tax assessed for the year and the previous year is less than the standard rate of corporation tax in the UK. The difference is explained below

|   | <u>2005</u><br>£ | <u>2004</u><br>£ |
|---|------------------|------------------|
| Profit on ordinary activities before taxation   | 30380            | 25989            |
| Profit on ordinary activities multiplied by the effective rate of corporation tax of 16.42% (2004 15.00%) | 4988             | 4127             |
| Effects of  |                  |                  |
| Expenses not deductible for tax purposes  | -                | 283              |
| Depreciation for period in excess of capital allowance  | 338              | 386              |
| Overprovision in prior year   | (356)            | -                |
|   | £ 4970           | £ 4796           |
|   | =====            | =====            |

**9. TANGIBLE FIXED ASSETS**

|                       | <u>Freehold</u><br><u>Premises</u><br>£ | <u>Fixtures &amp;</u><br><u>Fittings</u><br>£ | <u>Total</u><br>£ |
|-----------------------|---|---|-------------------|
| <u>Cost</u>           |   |   |                   |
| At 1st January 2005   | 81510                                   | 8221  | 89731             |
| Additions             | -                                       | -   | -                 |
| Disposals             | -                                       | -   | -                 |
| At 31st December 2005 | 81510                                   | 8221  | 89731             |
| <u>Depreciation</u>   |   |   |                   |
| At 1st January 2005   | 6520                                    | 7448  | 13968             |
| Charge for the year   | 1630                                    | 773   | 2403              |
| Released on Disposals | -                                       | -   | -                 |
| At 31st December 2005 | 8150                                    | 8221  | 16371             |
| <u>Net Book Value</u> |   |   |                   |
| At 31st December 2005 | £ 73360                                 | -   | 73360             |
| At 31st December 2004 | £ 74990                                 | 773   | 75763             |

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2005 (Cont'd)**

**10. DEBTORS**

|               | <u>2005</u> | <u>2004</u> |
|---------------|-------------|-------------|
|               | £           | £           |
| Trade Debtors | 22372       | 30313       |
| Other Debtors | 3750        | -           |
| Prepayments   | 1005        | 995         |
|               | -----       | -----       |
|               | £ 27127     | £ 31308     |
|               | =====       | =====       |

**11. CREDITORS:** amounts falling due within one year.

|                                 | <u>2005</u> | <u>2004</u> |
|---------------------------------|-------------|-------------|
|                                 | £           | £           |
| Bank Loan (Secured)             | 5043        | 8664        |
| Trade Creditors                 | 3117        | 9984        |
| Social Security and Other Taxes | 1028        | 4654        |
| Corporation Tax                 | 5196        | 4528        |
| Accruals                        | 5475        | 10186       |
| Deferred Income                 | 104272      | 85781       |
|                                 | -----       | -----       |
|                                 | £ 124131    | £ 123797    |
|                                 | =====       | =====       |

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 (2004 - £5,000).

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

|                                    | <u>2005</u> | <u>2004</u> |
|------------------------------------|-------------|-------------|
|                                    | £           | £           |
| Payable between one and five years |             |             |
| Bank Loan (Secured)                | -           | 5200        |
| Deferred Income                    | -           | -           |
|                                    | -----       | -----       |
|                                    | £ -         | £ 5200      |
|                                    | =====       | =====       |

The Bank Loan is secured on the Freehold premises.

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2005 (Cont'd)**

**13. RESERVES**

**PROFIT AND LOSS ACCOUNT**

|                       | <u>2005</u><br><u>£</u> | <u>2004</u><br><u>£</u> |
|-----------------------|-------------------------|-------------------------|
| At 1st January 2005   | 125133                  | 103940                  |
| Profit for the year   | 25410                   | 21193                   |
| At 31st December 2005 | £ 150543<br>=====       | £ 125133<br>=====       |

**14. RECONCILIATION OF MOVEMENTS**  
**IN MEMBERS' FUNDS**

|                               | <u>2005</u><br><u>£</u> | <u>2004</u><br><u>£</u> |
|-------------------------------|-------------------------|-------------------------|
| Profit for the financial year |                         |                         |
| Net addition to Members' Fund | 25410                   | 21193                   |
| Opening Members' Funds        | 125133                  | 103940                  |
| Closing Members' Funds        | £ 150543<br>=====       | £ 125133<br>=====       |

**15. RELATED PARTY TRANSACTIONS**

Included in Net operating expenses is the sum of £6,000 (£5,700) in respect of accountancy services provided in a professional capacity by A. Glazier, a director of the Company.

**16. CONTROLLING PARTIES**

The Company, being a company limited by guarantee, is not under the control of any one individual.