

Company No. 120076

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1996

MALKIN & CO.
CHARTERED ACCOUNTANTS
WHITFIELD BUILDINGS
192 - 200 PENSBY ROAD
HESWALL
WIRRAL
L60 7RJ



**WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1996**

PRESIDENT

The Viscount Leverhulme KG TD JP

VICE-PRESIDENT

G. H. Alcock

DIRECTORS

M. Glasby (Chairman)
C. Lewis (Vice-Chairman)
R. J. Ellershaw (Vice-Chairman)
S. Caulfield
N. Clarke
R. Fearon
G. Lawrence
R. J. Mottram
D. Page
A. Tippler
G. Tomkins
P. D. Welch
G. White
G. E. Withe

SECRETARY

C. Lewis

REGISTERED OFFICE

Egerton House
2 Tower Road
Birkenhead
Wirral

COMPANY NUMBER

120076

BANKERS

Midland Bank plc

AUDITORS

The Priory Partnership
1 Abbots Quay
Monks Ferry
Birkenhead
Wirral
L41 5LH

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1996

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**WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 1996**

The directors present their report and the audited financial statements of the company for the year ended 31st December 1996.

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:-

- 1) select suitable accounting policies and then apply them consistently.
- 2) make judgements and estimates that are reasonable and prudent.
- 3) 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.

PRINCIPAL ACTIVITIES

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

BUSINESS REVIEW

The results for the year were below expectations with income failing to meet budget. Despite this fall in revenue the Chamber has shown a small surplus for the year and reduced the deficit on reserves.

The Chamber devoted considerable resources to preparing its bid for accreditation with the Association of British Chambers of Commerce under new standards that Chambers must meet. A large part of this effort has been in developing the consortium with Chester, Halton and Warrington Chambers which will provide better quality and more comprehensive services to members in the future.

The Board expect that once the accreditation process is complete and the new services put in place the Chamber will be in a stronger position to serve Wirral's business community.

RESULTS

	1996 £	1995 £
Profit after tax for the year	1,759	21,870

**WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1996**

FIXED ASSETS

Acquisition and disposal of fixed assets during the year are shown in the notes to the accounts.

DIRECTORS

The directors who served during the year are shown below.

S. Caulfield
B. Chapman (appointed 10th January 1996, resigned 8th September 1996)
E. Clarke (appointed 10th January 1996, resigned 11th March 1996)
N. Clarke
R. J. Ellershaw
R. Fearon
M. J. Glasby
P. Kirkham (resigned 21st February 1996)
G. Lawrence
C. Lewis
R. J. Mottram
D. Page
B. T. Ridge (resigned 21st February 1996)
T. Russell (resigned 18th March 1996)
A. Tippler (appointed 22nd March 1996)
G. Tomkins
M. E. Twemlow (resigned 12th April 1997)
P. D. Welch
G. White
G. E. Withe
P. Withe (resigned 10th January 1996)


CLOSE COMPANY STATUS

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, The Priory Partnership, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 1st May 1997 and signed on their behalf.


Signed
C. Lewis
1st May 1997

**WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
AUDITORS' REPORT TO THE MEMBERS OF WIRRAL CHAMBER OF COMMERCE AND
INDUSTRY LIMITED
FOR THE YEAR ENDED 31ST DECEMBER 1996**

We have audited the financial statements on pages 6 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

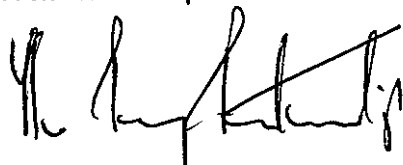
Basis of opinion

We conducted our audit in accordance with 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 at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



The Priory Partnership
Chartered Accountants
Registered Auditors

1 Abbots Quay
Monks Ferry
Birkenhead
Wirral
L41 5LH

1st May 1997

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1996

	Note	£	1996 £	1995 £
TURNOVER	2			
Continuing operations			88,658	112,801
Net operating expenses	3&4		<u>87,244</u>	<u>90,315</u>
OPERATING PROFIT	4			
Continuing operations			1,414	22,486
Interest receivable and similar income	7		471	391
Interest payable and similar charges	8		<u>(126)</u>	<u>(1,007)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,759	21,870
Tax on ordinary activities	9		<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION				
AND				
RETAINED PROFIT FOR THE FINANCIAL YEAR		£	<u>1,759</u>	£ <u>21,870</u>


The company made no recognised gains and losses other than those reported in the profit and loss account.

The notes on pages 9 to 15 form part of these accounts

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
BALANCE SHEET
AT 31ST DECEMBER 1996

	Notes	£	1996 £	1995 £
FIXED ASSETS				
Tangible assets	10		1,374	3,517
CURRENT ASSETS				
Debtors	11	6,813		4,075
Cash at bank and in hand		4,515		10,063
			11,328	14,138
CREDITORS: Amounts falling due within one year	12	19,740		22,953
NET CURRENT LIABILITIES			(8,412)	(8,815)
TOTAL ASSETS LESS CURRENT LIABILITIES			(7,038)	(5,298)
CREDITORS: Amounts falling due after more than one year	13		3,760	5,160
NET LIABILITIES			£ (10,798)	£ (10,458)
CAPITAL AND RESERVES				
Other reserves	14		-	2,099
Profit and loss account	14		(10,798)	(12,557)
TOTAL CAPITAL EMPLOYED			£ (10,798)	£ (10,458)

Signed on behalf of the board


.....
M. Glasby
1st May 1997

The notes on pages 9 to 15 form part of these accounts

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
 RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS
 FOR THE YEAR ENDED 31ST DECEMBER 1996

	1996 £	1995 £
Profit for the financial year	1,759	21,870
Movement in other reserves	2,099	4,063
	<u>(340)</u>	<u>17,807</u>
Net addition to members' funds	(10,458)	(28,265)
Opening members' funds		
	<u>£ (10,798)</u>	<u>£ (10,458)</u>
Closing members' funds		

The notes on pages 9 to 15 form part of these accounts

**WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1996**

1. ACCOUNTING POLICIES

1a. Basis of accounting

The accounts have been prepared under the historical cost convention.

Fundamental Accounting Concept

The accounts have been prepared on a going concern basis as, in the opinion of the directors, the company will continue to receive the support of its bank and its members and can meet its liabilities as they fall due.

1b. Tangible fixed assets

Fixed assets are shown at historical cost.

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life.

		1996	1995
Motor vehicles	- % on cost	20	20
Fixtures and fittings	- % on cost	20	20
Equipment	- % on cost	20	20

1c. Taxation

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

Advance corporation tax payable on dividends paid or provided for in the year is written off.

Deferred taxation (which arises from differences 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. However, the amount of all deferred tax, including that which will probably not reverse, is shown in note .

1d. Pension costs

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the Profit & Loss Account.

1. ACCOUNTING POLICIES (CONTINUED)

1e. 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.

1f. Turnover

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

1g. 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.

1h. 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.

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1996

3. COST OF SALES AND NET OPERATING EXPENSES

	£	1995 £
Net operating expenses:		
Administrative expenses	85,101	85,209
Depreciation	2,143	9,266
	<u>£ 87,244</u>	<u>£ 94,475</u>

4. OPERATING PROFIT

	1996 £	1995 £
Profit on ordinary activities is stated after charging:		
Auditors' remuneration		
Audit services	500	500
Non-audit services	-	-
Depreciation and amortisation		
Tangible assets: owned	2,143	5,106
Staff costs (note 5)	<u>38,625</u>	<u>26,110</u>
and after crediting:		
CBTA - Subscriptions	<u>-</u>	<u>3,544</u>

**WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1996**

5. DIRECTORS AND EMPLOYEES

Particulars of employees (including directors) are shown below:

Employee costs during the year amounted to:	1996 £	1995 £
Wages and salaries	34,807	23,134
Social security costs	3,146	1,087
Health insurance	-	430
Other pension costs	672	1,459
	<u>£ 38,625</u>	<u>£ 26,110</u>

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

	1996 No.	1995 No.
Management and administration	<u>3</u>	<u>2</u>

Details of directors' emoluments are:

	1996 £	1995 £
Directors' emoluments including benefits	<u>£ -</u>	<u>£ 17,977</u>

The only director's emoluments are those of the Executive Director.

6. OTHER INCOME

Prior to the year end the Chamber agreed funding with CEWTEC of £10,000 to assist with the costs of putting the consortium in place and improving services to members.

The first instalment of £2,500 was received in 1996 and is included as income in these accounts. The balance of £7,500 is to be paid during 1997 as the consortium progresses.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	1996 £	1995 £
Bank interest receivable	<u>471</u>	<u>391</u>
	<u>£ 471</u>	<u>£ 391</u>

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
 NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31ST DECEMBER 1996

8. INTEREST PAYABLE AND SIMILAR CHARGES	1996 £	1995 £
Interest on loans repayable within five years, by instalments	106	861
Interest on loans repayable within five years, not by instalments	20	146
	<u>£ 126</u>	<u>£ 1,007</u>

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no taxation liability on the result on ordinary activities.

10. TANGIBLE FIXED ASSETS

	Fixtures & Equipment £	Total £
Cost		
At 1st January 1996	21,979	21,979
At 31st December 1996	<u>21,979</u>	<u>21,979</u>
Depreciation		
At 1st January 1996	18,462	18,462
For the year	2,143	2,143
At 31st December 1996	<u>20,605</u>	<u>20,605</u>
Net Book Amounts		
At 31st December 1996	<u>£ 1,374</u>	<u>£ 1,374</u>
At 31st December 1995	<u>£ 3,517</u>	<u>£ 3,517</u>

The net book value of fixtures and equipment above includes an amount of £897 in respect of assets held under finance leases. The depreciation charged in the year on this asset was £299.

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1996

11. DEBTORS

	1996	1995
	£	£
Trade Debtors	6,361	3,517
Other debtors	399	399
Deferred finance lease charges	53	159
	<u>£ 6,813</u>	<u>£ 4,075</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996	1995
	£	£
Trade creditors	1,891	3,864
Social security and other taxes	4,782	6,877
Loans	1,880	10,220
Finance leases	225	450
Other creditors	4,293	1,146
Accruals	2,819	4,260
Deferred income	3,850	-
	<u>£ 19,740</u>	<u>£ 22,953</u>

The company has granted a floating charge on all its assets to secure bank overdrafts of £5,000 (1995 -£5,000).

13. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	1996	1995
	£	£
Other loans	3,760	4,935
Finance leases	-	225
	<u>£ 3,760</u>	<u>£ 5,160</u>

14. RESERVES

	Other reserves	Profit & loss account
	£	£
At 1st January 1996	2,099	(12,557)
Other reserves	(2,099)	-
(Loss)/Profit for the year		1,759
At 31st December 1996	<u>£ -</u>	<u>£ (10,798)</u>

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1996

15. LEASE COMMITMENTS

The company has entered into finance leases the payments for which extend over a period of up to 1 year.

	1996 £	1995 £
- within 1 year	225	450
- within 2-5 years	-	225
	<u>£ 225</u>	<u>£ 675</u>