

Company No : 1616754

Cadcam Applications Training and
Support Company Limited
(Limited by Guarantee)

Directors' Report
and
Financial Statements

Period ended 31 March 1996



Haines Watts
Sterling House
22 St Cuthberts Way, Darlington

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Company Information

Directors	Cllr. A Preece OBE Cllr. Mrs M Richardson Cllr. W J R Kerr Cllr. P Thompson Cllr. D Walsh Cllr. J Coulthard Cllr. B S Bellerby Cllr. T D Murphy
Secretary	J H Metherringham
Company Number	1616754
Registered Office	County Secretary's Department PO Box 100A, Municipal Buildings Middlesbrough Cleveland
Auditors	Haines Watts Sterling House 22 St Cuthberts Way Darlington Co Durham

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
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Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Directors' Report for the period ended 31 March 1996

The directors present their report and the financial statements for the 15 month period ended 31 March 1996.

Principal Activities and Review of the Business

The company offers training and consultancy services in the area of computer aided design and manufacture.

During the period, the company continued in its role of improving the competitiveness of small to medium businesses in Teesside and the northern region through the provision of technology support.

It further consolidated its position as a technology provider in the region with the launch of a major regional project, 'Shop Floor Solutions', supported through the European Regional Development Fund (ERDF).

The project, managed by the CAD/CAM Centre, is delivered through a partnership of regional technology providers drawn from the universities, colleges and public sector companies involved in the North East Technology Support (NETS) initiative.

The company continued to provide CAD/CAM technology training supported by the European Social Fund (ESF) and a technology advice service to Middlesbrough companies through the City Challenge Programme. The Centre was also commissioned to provide a technology advice service to companies in Stockton through the City Challenge Programme.

Results and Dividends

The results for the period are set out on page 4.

It is proposed that the retained surplus of £215,805 is transferred to reserves.

Fixed Assets

The significant changes in fixed assets during the period are explained in note 7 to the financial statements.

Directors

The directors who served during the period were as follows:

Cllr. A A Carter	(Resigned 12 August 1996)
Cllr. D R Rigg	(Resigned 12 August 1996)
Cllr. M Taylor	(Resigned 12 August 1996)
Cllr. J Coulthard	
Cllr. J M Kay	(Resigned 12 August 1996)
Cllr. A J Featherstone	(Resigned 12 August 1996)
Mr J E Gibbon	(Resigned 12 August 1996)
Cllr. D Walsh	
Cllr. A Preece OBE	(Appointed 12 August 1996)
Cllr. Mrs M Richardson	(Appointed 12 August 1996)
Cllr. B Kerr	(Appointed 12 August 1996)
Cllr. P Thompson	(Appointed 12 August 1996)
Cllr. B Bellerby	(Appointed 12 August 1996)
Cllr. T Murphy	(Appointed 12 August 1996)

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Directors' Report for the period ended 31 March 1996 (continued)

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 judgements 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

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Haines Watts be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on ...20/12/96..... and signed on its behalf by:



J H Metherringham
Secretary

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)

Auditors' Report to the members of Cadcam Applications Training and Support Company Limited (Limited by Guarantee)

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

Respective responsibilities of directors and auditors

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 as at 31 March 1996 and of its surplus for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Haines Watts

Haines Watts
Chartered Accountants and Registered Auditor
Sterling House
22 St Cuthberts Way
Darlington
Co Durham

Date : 23/12/96..

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Profit and Loss Account
for the period ended 31 March 1996

		1996 (15 months) £	1994 (12 months) £
	Notes		
Turnover	3		
Grants		879,445	609,940
Non grant income		480,016	213,760
		<hr/>	<hr/>
		1,359,461	823,700
Direct costs		(104,906)	(23,380)
Staff costs	5		
Salaries		408,811	284,658
Consultancy and temporary staff		3,462	8,345
Recruitment and training		5,184	2,309
		<hr/>	<hr/>
		(417,457)	(295,312)
Depreciation		(81,774)	(68,771)
Other operating charges			
Building costs		319,037	214,191
Systems costs		52,311	49,690
Running costs		81,723	62,348
		<hr/>	<hr/>
		(453,071)	(326,229)
Loss on disposal of fixed assets		(53,681)	(20,642)
Interest payable and similar charges	6	(32,767)	(28,876)
		<hr/>	<hr/>
Surplus for the financial period 11		215,805	60,490
		<hr/>	<hr/>

The company has no other recognised gains or losses other than the profit or loss for the period.


The notes on pages 6 to 11 form part of these financial statements.

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Balance Sheet
as at 31 March 1996

	Notes	1996 £	1994 £
Fixed Assets			
Tangible assets	7	137,933	134,758
Current Assets			
Debtors	8	192,654	163,668
Cash at bank and in hand		327	150
		<u>192,981</u>	<u>163,818</u>
Creditors: amounts falling due within one year	9	<u>(341,350)</u>	<u>(547,183)</u>
Net Current Liabilities		<u>(148,369)</u>	<u>(383,365)</u>
Total Assets Less Current Liabilities		<u>(10,436)</u>	<u>(248,607)</u>
Creditors: amounts falling due after more than one year	10	<u>(22,366)</u>	<u>-</u>
		<u>£ (32,802)</u>	<u>£ (248,607)</u>
Reserves			
Profit and loss account	11	<u>(32,802)</u>	<u>(248,607)</u>
Members' Funds	12	<u>£ (32,802)</u>	<u>£ (248,607)</u>

The financial statements were approved by the Board on ...20/12/96....
and signed on its behalf by:

Cllr. D Walsh
Director



The notes on pages 6 to 11 form part of these financial statements.

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Notes to the Financial Statements
for the period ended 31 March 1996

1. Status of the Company

The company is limited by guarantee. The liabilities of the members is limited to £1 each.

2. Accounting Policies

2.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

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

2.2 Turnover

Turnover represents amounts receivable for services provided in the UK net of VAT.

2.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer hardware and office equipment	-	3-7 years
Computer software	-	3 years
Fixtures and fittings	-	10 years

2.4 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Notes to the Financial Statements
for the period ended 31 March 1996

2. Accounting Policies (continued)

2.5 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes only to the extent that the directors consider that a liability to taxation is likely to crystallise.

2.6 Grants

Income based grants are credited to the profit and loss account in the period to which they relate. Capital based grants are credited to the profit and loss account over the useful life of the assets to which they relate.

3. Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the U.K.

4. Surplus on ordinary activities before taxation	1996 (15 months) £	1994 (12 months) £
Operating surplus is stated after charging:		
Depreciation of tangible assets	81,774	68,771
Operating lease rentals		
- Plant and machinery	48,467	24,081
Auditors' remuneration	4,250	5,000
Loss on disposal of fixed assets	53,681	20,642
	<hr/>	<hr/>
and after crediting:		
Capital grants released	7,550	17,996
	<hr/>	<hr/>

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Notes to the Financial Statements
for the period ended 31 March 1996

5. Employees

Number of employees

The average weekly number of employees (excluding directors) during the period was:

	1996 (15 months) Number	1994 (12 months) Number
Technical	10	7
Marketing	-	1
Administration	6	9
	<u>16</u>	<u>17</u>

Employment costs

	£	£
Wages and salaries	365,236	260,200
Social security costs	43,575	24,458
	<u>£ 408,811</u>	<u>£ 284,658</u>

None of the directors received any emoluments during the period.

6. Interest Payable and Similar Charges

	1996 (15 months) £	1994 (12 months) £
On bank overdraft	32,767	23,058
Finance lease charges	-	5,818
	<u>£ 32,767</u>	<u>£ 28,876</u>

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Notes to the Financial Statements
for the period ended 31 March 1996

7. Tangible Assets

	Computer hardware & office equipment	Fixtures & fittings	Computer software	Total
	£	£	£	£
Cost				
At 1 January 1995	483,449	54,342	91,706	629,497
Additions	76,601	1,383	60,855	138,839
Disposals	(322,106)	(948)	(23,973)	(347,027)
Transfers	(21,591)	20,960	(1,168)	(1,799)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1996	216,353	75,737	127,420	419,510
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 1995	379,130	35,514	80,095	494,739
On disposals	(268,425)	(948)	(23,973)	(293,346)
Charge for period	48,617	9,230	23,927	81,774
Transfers	(9,763)	9,171	(998)	(1,590)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1996	149,559	52,967	79,051	281,577
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 March 1996	£ 66,794	£ 22,770	£ 48,369	£ 137,933
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1994	£ 104,319	£ 18,828	£ 11,611	£ 134,758
	<hr/>	<hr/>	<hr/>	<hr/>

8. Debtors

	1996 £	1994 £
Trade debtors	7,370	60,282
Other debtors	22,740	39,238
Prepayments and accrued income	162,544	64,148
	<hr/>	<hr/>
	£ 192,654	£ 163,668
	<hr/>	<hr/>

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Notes to the Financial Statements
for the period ended 31 March 1996

9. Creditors: amounts falling due within one year	1996 £	1994 £
Bank loans and overdrafts	186,300	393,189
Net obligations under finance lease and hire purchase contracts	-	29,172
Trade creditors	111,793	52,640
Taxes and social security costs	9,834	7,423
Other creditors	-	17,757
Accruals and deferred income	33,423	47,002
	<u>£ 341,350</u>	<u>£ 547,183</u>

Bank borrowings are secured by a guarantee given by Middlesbrough Borough Council and by a fixed and floating charge over the company's assets.

10. Creditors: amounts falling due after more than one year	1996 £	1994 £
Accruals and deferred income	22,366	-
	<u>22,366</u>	<u>-</u>

11. Profit And Loss Account	1996 £	1994 £
Accumulated losses brought forward	(248,607)	(309,097)
Retained surplus for the period	215,805	60,490
Accumulated losses at 31 March 1996	<u>£ (32,802)</u>	<u>£ (248,607)</u>

12. Reconciliation of Movements in Members' Funds	1996 £	1994 £
Surplus for the financial period	215,805	60,490
Opening members' funds	(248,607)	(309,097)
Closing members' funds	<u>£ (32,802)</u>	<u>£ (248,607)</u>

Cadcam Applications Training and Support Company Limited
(Limited by Guarantee)
Notes to the Financial Statements
for the period ended 31 March 1996

13. Post Balance Sheet Events

Following the period end the company received a refund from Customs & Excise of £103,087 due to a reassessment of the company's status for VAT purposes and a recalculation of input VAT claimable over a period of years. This refund will be accounted for on a cash received basis.

Additional input VAT claimed for the period under review has been accounted for in the results for the period.

14. Financial Commitments

At 31 March 1996 the company had annual commitments under non-cancellable operating leases as follows:

	1996 £	1994 £
Expiry date:		
Within one year	3,170	6,775
Between two and five years	17,041	73,856
In over five years	798	-
	<hr/> £ 21,009	<hr/> £ 80,631
	<hr/>	<hr/>