

**COMPANY REGISTRATION NUMBER 02055002**

**CARIOCCA ENTERPRISES  
(MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
FOR  
30 NOVEMBER 2005**



**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS**

**YEAR ENDED 30 NOVEMBER 2005**

<b>CONTENTS</b>	<b>PAGE</b>
Officers and professional advisers	<b>1</b>
The directors' report	<b>2</b>
Independent auditors' report to the members	<b>4</b>
Profit and loss account	<b>6</b>
Balance sheet	<b>7</b>
Notes to the financial statements	<b>8</b>

**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE**

**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

A Bell  
R Caesar  
L A Da-Cocodia  
F D J Frederick  
J Gibson  
N H Mahon  
C S Malabre  
S Mohindra  
A Thompson  
A Kilcoyne

**Company secretary**

R Caesar

**Registered office**

Cariocca Enterprise Park  
2 Hellidon Close  
Ardwick  
Manchester  
M12 4AH

**Auditors**

Chittenden Horley Limited  
Chartered Accountants  
& Registered Auditors  
456 Chester Road  
Old Trafford  
Manchester  
M16 9HD

**Bankers**

National Westminster Bank Plc  
280 Claremont Road  
Moss Side  
Manchester  
M14 4EP

Citibank International Plc  
Global Consumer Banking  
PO Box 5350  
Hammersmith Grove  
London  
W6 0WT

Co-operative Bank Plc  
1 Balloon Street  
Manchester  
M60 4EP

# **CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 30 NOVEMBER 2005**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 November 2005.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company is to undertake programmes, projects and schemes for the benefit of the community of the inner city areas of Manchester. It has been achieving this through the operation of managed workspace at the two Cariocca Enterprise Business Parks and the provision of office services to its tenants.

#### **DONATION**

During the year the company made a donation of £40,000 to the Cariocca Education Trust, a company limited by guarantee and a registered charity.

#### **DIRECTORS**

The directors who served the company during the year were as follows:

A Bell  
R Caesar  
L A Da-Cocodia  
F D J Frederick  
J Gibson  
N H Mahon  
C S Malabre  
S Mohindra  
A Thompson  
A Kilcoyne

(Appointed 16 March 2005)

#### **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 year.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE**

**THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 30 NOVEMBER 2005**

**AUDITORS**

A resolution to re-appoint Chittenden Horley Limited as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors

A handwritten signature in black ink, appearing to be 'R CAESAR', written over a horizontal line.

R CAESAR  
Company Secretary

Approved by the directors on March 15 2006

# **CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARIOCCA ENTERPRISES (MANCHESTER) LIMITED**

**YEAR ENDED 30 NOVEMBER 2005**

We have audited the financial statements of Cariocca Enterprises (Manchester) Limited for the year ended 30 November 2005 which comprise the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and on the basis of 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 auditors' report and for no other purpose. To the fullest extent permitted by 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, for this report, 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 the 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 misstatements within it.

### **BASIS OF AUDIT 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.

**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
CARIOCCA ENTERPRISES (MANCHESTER) LIMITED** *(continued)*

**YEAR ENDED 30 NOVEMBER 2005**

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 2005 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



CHITTENDEN HORLEY LIMITED  
Chartered Accountants  
& Registered Auditors

456 Chester Road  
Old Trafford  
Manchester  
M16 9HD

March 15 2006

**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED**  
**COMPANY LIMITED BY GUARANTEE**

**PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 30 NOVEMBER 2005**

	Note	2005 £	2004 £
<b>TURNOVER</b>		<b>554,271</b>	534,728
Cost of sales		<u>55,318</u>	<u>38,401</u>
<b>GROSS PROFIT</b>		<b>498,953</b>	496,327
Administrative expenses		<b>505,850</b>	464,564
Other operating income		<b>17,500</b>	—
<b>OPERATING PROFIT</b>	2	<b>10,603</b>	31,763
Interest receivable		<b>4,473</b>	3,864
Interest payable and similar charges		<b>621</b>	(65)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>14,455</b>	35,692
Tax on profit on ordinary activities	3	<b>778</b>	5,043
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<b>13,677</b>	30,649
Balance brought forward		<b>153,114</b>	122,465
Balance carried forward		<u><b>166,791</b></u>	<u>153,114</u>

The notes on page 6 form part of these financial statements.



**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED**  
**COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET**

**30 NOVEMBER 2005**

	Note	2005 £	£	2004 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		1,689,679		1,718,455
<b>CURRENT ASSETS</b>					
Debtors	5	23,967		17,796	
Cash at bank and in hand		289,165		305,449	
		<u>313,132</u>		<u>323,245</u>	
<b>CREDITORS: Amounts falling due within one year</b>	6	178,934		206,788	
<b>NET CURRENT ASSETS</b>			<u>134,198</u>		<u>116,457</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,823,877</u>		<u>1,834,912</u>
<b>ACCRUALS &amp; DEFERRED INCOME</b>					
Capital grants	7		1,657,086		1,681,798
			<u>166,791</u>		<u>153,114</u>
<b>RESERVES</b>	9				
Profit and loss account			166,791		153,114
<b>MEMBERS' FUNDS</b>			<u>166,791</u>		<u>153,114</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on March 15 2006 and are signed on their behalf by:



F D J FREDERICK

The notes on page 7 form part of these financial statements.

# **CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 NOVEMBER 2005**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Long Leasehold Property - 1% straight line over the life of the lease  
Security Equipment - 20% reducing balance  
Fixtures & Fittings - 20% reducing balance  
Short leasehold property - 4% per annum from March 1 2001

Depreciation is not charged unless the assets have been brought into use before the end of the financial year.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The company makes defined contributions to the employees' personnel pension schemes and these contributions are charged to the profit and loss account in the period they are due.

#### **Capital grants**

Grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 NOVEMBER 2005**

**2. OPERATING PROFIT**

Operating profit is stated after charging/ (crediting):

	<b>2005</b>	2004
	<b>£</b>	<b>£</b>
Directors' emoluments	—	—
Staff pension contributions	<b>4,700</b>	5,124
Amortisation of capital grants re fixed assets	<b>(24,712)</b>	(25,942)
Depreciation of owned fixed assets	<b>32,607</b>	35,249
Loss on disposal of fixed assets	<b>160</b>	179
Auditors' fees	<b><u>2,686</u></b>	<b><u>2,262</u></b>

**3. TAXATION ON ORDINARY ACTIVITIES**

	<b>2005</b>	2004
	<b>£</b>	<b>£</b>
Current tax:		
UK Corporation tax based on the results for the year at —% (2004 - 14.16%)	<b>771</b>	5,054
Over/under provision in prior year	<b><u>7</u></b>	<b><u>(11)</u></b>
Total current tax	<b><u>778</u></b>	<b><u>5,043</u></b>

**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 NOVEMBER 2005**

**4. TANGIBLE FIXED ASSETS**

	Long leasehold Property £	Short Leasehold Property £	Security Equipment £	Fixtures & Fittings £	Total £
<b>COST</b>					
At 1 December 2004	1,941,631	1,944	72,418	80,386	2,096,379
Additions	—	—	254	3,737	3,991
Disposals	—	—	(260)	—	(260)
<b>At 30 November 2005</b>	<b>1,941,631</b>	<b>1,944</b>	<b>72,412</b>	<b>84,123</b>	<b>2,100,110</b>
<b>DEPRECIATION</b>					
At 1 December 2004	287,835	287	37,688	52,114	377,924
Charge for the year	19,415	79	6,990	6,123	32,607
Disposals	—	—	(100)	—	(100)
<b>At 30 November 2005</b>	<b>307,250</b>	<b>366</b>	<b>44,578</b>	<b>58,237</b>	<b>410,431</b>
<b>NET BOOK VALUE</b>					
<b>At 30 November 2005</b>	<b>1,634,381</b>	<b>1,578</b>	<b>27,834</b>	<b>25,886</b>	<b>1,689,679</b>
At 30 November 2004	1,653,796	1,657	35,319	28,389	1,719,161

**5. DEBTORS**

	2005 £	2004 £
Trade debtors	6,689	8,206
Other debtors	7,500	—
Prepayments and accrued income	9,778	9,590
	<b>23,967</b>	<b>17,796</b>

**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 NOVEMBER 2005**

**6. CREDITORS: Amounts falling due within one year**

	2005	2004
	£	£
Bank loans and overdrafts	—	10,748
Trade creditors	20,710	32,421
Other creditors including taxation and social security:		
Corporation tax	771	5,054
PAYE and social security	2,524	2,770
VAT	14,079	14,043
Deposits	65,623	67,299
MCC rent	29,399	34,541
Maintenance fund	6,053	2,549
Accruals and deferred income	39,775	37,363
	<u>158,224</u>	<u>163,619</u>
	<u>178,934</u>	<u>206,788</u>

**7. CAPITAL GRANTS**

	2005	2004
	£	£
<b>Received and receivable:</b>		
At 1 December 2004	1,829,754	1,829,754
At 30 November 2005	<u>1,829,754</u>	<u>1,829,754</u>
<b>Amortisation:</b>		
At 1 December 2004	147,956	122,014
Credit to profit and loss account	24,712	25,942
At 30 November 2005	<u>172,668</u>	<u>147,956</u>
Net balance at 30 November 2005	<u>1,657,086</u>	<u>1,681,798</u>

**8. RELATED PARTY TRANSACTIONS**

The following directors are also trustees of the Cariocca Educational Trust, Bell, Da-Cocodia, and Frederick. However they took no part in the decision to make a donation to the trust of £40,000. The trust rented premises from the company on normal commercial terms at £145 per month.

**CARIOCCA ENTERPRISES (MANCHESTER) LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 NOVEMBER 2005**

**9. COMPANY LIMITED BY GUARANTEE**

The Company is limited by guarantee and does not have a share capital. In the event of winding up the members are committed to contributing one pound each. At the year-end there were 10 members (20004 9).