

COMPANY REGISTRATION NUMBER 02055002

**CARIOCCA ENTERPRISES
(MANCHESTER) LIMITED**
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR
30 NOVEMBER 2007

FRIDAY



AA30SYER

A71

28/03/2008

442

COMPANIES HOUSE

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

FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2007

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	3
Independent auditor's report to the members	5
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9
The following pages do not form part of the financial statements	
Detailed profit and loss accounts	15

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

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

A Bell
S Burnett
R Caesar
F D J Frederick
N H Mahon
C S Malabre
C McCurdy
S Mohindra
A Thompson

Company secretary

R Caesar

Registered office

Cariocca Enterprise Park
2 Hellidon Close
Ardwick
Manchester
M12 4AH

Auditor

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

CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE

OFFICERS AND PROFESSIONAL ADVISERS *(continued)*

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

Investec Bank (UK) Limited
Cannon Bridge
25 Dowgate Hill
London
EC4R 2AT

CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 30 NOVEMBER 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 November 2007.

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.

DIRECTORS

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

A Bell	
R Caesar	
L A Da-Cocodia	(Died 13 March 2008)
F D J Frederick	
N H Mahon	
C S Malabre	
C McCurdy	
S Mohindra	
A Thompson	
S Burnett	(Appointed 5 February 2007)
A Kilcoyne	(Resigned 31 January 2007)

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 NOVEMBER 2007

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

DONATIONS

During the year the company made the following contributions:

	2007	2006
	£	£
Charitable	<u>15,000</u>	<u>40,000</u>

During the year the company made a donation of £15,000 (2006 £40,000) to the Cariocca Education Trust, a registered charity.

AUDITOR

A resolution to re-appoint Chittenden Horley Limited as auditor 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



R CAESAR
Company Secretary

Approved by the directors on

26/3/08

CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARIOCCA ENTERPRISES (MANCHESTER) LIMITED

YEAR ENDED 30 NOVEMBER 2007

We have audited the financial statements of Cariocca Enterprises (Manchester) Limited for the year ended 30 November 2007 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 January 2005) 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 auditor's 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 AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 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.

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

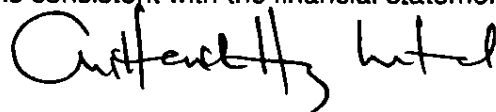
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CARIOCCA ENTERPRISES (MANCHESTER) LIMITED *(continued)***

YEAR ENDED 30 NOVEMBER 2007

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 30 November 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.



CHITTENDEN HORLEY LIMITED
Chartered Accountants
& Registered Auditors

456 Chester Road
Old Trafford
Manchester
M16 9HD

Month 26 2008
.....

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

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 NOVEMBER 2007

	Note	2007 £	2006 £
TURNOVER		604,606	570,769
Cost of sales		<u>58,751</u>	<u>60,757</u>
GROSS PROFIT		545,855	510,012
Administrative expenses		517,662	517,728
Other operating income		<u>4,918</u>	<u>8,181</u>
OPERATING PROFIT	2	33,111	465
Interest receivable		7,186	5,024
Interest payable and similar charges		—	973
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		40,297	4,516
Tax on profit on ordinary activities	3	<u>7,379</u>	<u>444</u>
PROFIT FOR THE FINANCIAL YEAR		32,918	4,072
Balance brought forward		<u>170,863</u>	<u>166,791</u>
Balance carried forward		<u>203,781</u>	<u>170,863</u>

The notes on pages 9 to 13 form part of these financial statements.

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

BALANCE SHEET


30 NOVEMBER 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible assets	4	1,758,691	1,662,135
CURRENT ASSETS			
Debtors	5	26,952	20,238
Cash at bank and in hand		314,343	288,453
		<u>341,295</u>	<u>308,691</u>
CREDITORS: Amounts falling due within one year	6	<u>286,230</u>	<u>166,630</u>
NET CURRENT ASSETS		<u>55,065</u>	<u>142,061</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,813,756</u>	<u>1,804,196</u>
ACCRUALS & DEFERRED INCOME			
Capital grants	7	1,609,975	1,633,333
		<u>203,781</u>	<u>170,863</u>
RESERVES	10		
Profit and loss account		203,781	170,863
MEMBERS' FUNDS		<u>203,781</u>	<u>170,863</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 January 2005)

These financial statements were approved by the directors and authorised for issue on 26/3/08, and are signed on their behalf by

DIRECTOR



The notes on pages 9 to 13 form part of these financial statements.

CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2007

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 January 2005).

Turnover

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

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2007

1. ACCOUNTING POLICIES *(continued)*

Capital Grants

Grants on capital expenditure are credited to a deferred income account and are released to revenue over the expected useful life of the relevant asset in proportion to the depreciation charged

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2007	2006
	£	£
Directors' emoluments	—	—
Staff pension contributions	5,851	5,185
Amortisation of capital grants re fixed assets	(23,358)	(23,753)
Depreciation of owned fixed assets	29,323	30,524
Auditor's fees	2,745	1,900

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2007

3. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2007 £	2006 £
Current tax:		
UK Corporation tax based on the results for the year at 20% (2006 - 19%)	7,379	444
Total current tax	<u>7,379</u>	<u>444</u>

4. TANGIBLE FIXED ASSETS

	Long leasehold Property £	Short Leasehold Property £	Security Equipment £	Fixtures & Fittings £	Total £
COST					
At 1 December 2006	1,941,631	1,944	72,412	87,103	2,103,090
Additions	<u>—</u>	<u>117,866</u>	<u>—</u>	<u>8,013</u>	<u>125,879</u>
At 30 November 2007	<u>1,941,631</u>	<u>119,810</u>	<u>72,412</u>	<u>95,116</u>	<u>2,228,969</u>
DEPRECIATION					
At 1 December 2006	326,666	444	50,133	63,712	440,955
Charge for the year	<u>19,416</u>	<u>78</u>	<u>4,501</u>	<u>5,328</u>	<u>29,323</u>
At 30 November 2007	<u>346,082</u>	<u>522</u>	<u>54,634</u>	<u>69,040</u>	<u>470,278</u>
NET BOOK VALUE					
At 30 November 2007	<u>1,595,549</u>	<u>119,288</u>	<u>17,778</u>	<u>26,076</u>	<u>1,758,691</u>
At 30 November 2006	<u>1,614,965</u>	<u>1,500</u>	<u>22,279</u>	<u>23,391</u>	<u>1,662,135</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2007

5. DEBTORS

	2007	2006
	£	£
Trade debtors	13,339	7,657
VAT recoverable	2,183	—
Prepayments and accrued income	11,430	12,581
	<u>26,952</u>	<u>20,238</u>

6. CREDITORS: Amounts falling due within one year

	2007	2006
	£	£
Overdrafts	—	3
Trade creditors	18,317	20,402
Other creditors including taxation and social security:		
Corporation tax	7,379	444
PAYE and social security	3,200	2,378
VAT	—	11,874
Deposits	63,194	59,515
MCC rent	48,497	27,567
Other creditors	4,132	11,264
Accruals and deferred income	141,511	33,183
	<u>267,913</u>	<u>146,225</u>
	<u>286,230</u>	<u>166,630</u>

7. CAPITAL GRANTS

	2007	2006
	£	£
Received and receivable:		
At 1 December 2006	1,829,754	1,829,754
At 30 November 2007	<u>1,829,754</u>	<u>1,829,754</u>
Amortisation:		
At 1 December 2006	196,421	172,668
Credit to profit and loss account	23,358	23,753
At 30 November 2007	<u>219,779</u>	<u>196,421</u>
Net balance at 30 November 2007	<u>1,609,975</u>	<u>1,633,333</u>

CARIOCCA ENTERPRISES (MANCHESTER) LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2007

8. COMMITMENTS UNDER OPERATING LEASES

At 30 November 2007 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	2007	2006
	£	£
Operating leases which expire		
After more than 5 years	<u>43,500</u>	<u>43,500</u>

In addition to the basic rent for the Hellidon Close site of £43,500 the company is committed to paying an additional variable rent depending on the level of its profits. The variable rent is calculated using the profit before basic rent and corporation tax and after adjusting for certain expenses and income. The rate of variable rent is set at 50% of the profit, as adjusted, over £51,176. The basic rent is subject to review every 5 years. The most recent review took place in 2004/05, and the basic rent was increased to £43,500 from December 31 2005.

The company has a twenty-five year lease for the Varley Street premises. This provided for an initial rent of one peppercorn per annum, until February 28 2006. From March 1 2006 there has been a variable rent, based on profit deriving from the Varley Street operation before corporation tax and after adjusting for certain items. This variable rent is set at 30% of the profit as adjusted.

9. 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 £15,000. The trust rented premises from the company on normal commercial terms at £157 per month.

Mr Thompson, one of the directors, rents a unit from the company on normal commercial terms at £310 per month.

10. 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 (2006 10).