

BRADFORD BREAKTHROUGH LIMITED
(Limited by Guarantee)
Directors' Report and Financial Statements
31st December 1995

Registered Number 2454507

Contents	Page
Directors' Report	1 & 2
Directors' Responsibilities and Auditors' Report	3
Income and Expenditure Account	4
Balance Sheet	5
Notes	6 - 9



Report of the Directors

The directors present their annual report together with the financial statements for the year ended 31st December 1995.

1. Principal Activities

The company's objective is to contribute to the economic and social improvement and development of the Bradford area and it is involved in various projects in furtherance of this objective.

2. Review of the Business

There is more real development in Bradford today than at any time since the onset of the last recession. In the City Centre, the Forster Square station site, upon which we have laboured so long and hard, the refurbishment of the Brown Muffs building by Abbey National, the conversion of the Wool Exchange for Waterstones, and Centenary Square are all into build and well past the point of no return.

At Saltaire, the Salts Mill complex flourishes with continuing additions around the Hockney Gallery and in Pace Microtechnology. The large Filtronic Comtek building at the side of Salts Mill is complete. Chase Advanced Technologies has moved to Eurocam, another step in the realisation of Dr. Martinez' vision.

Our three building societies, the Yorkshire, the Bradford & Bingley and our own Abbey National, express their confidence in the District by their continuing investment. All of them are at one stage or another of relocation, new build or refurbishment. There have been smaller developments - Sovereign Health Care, in Kirkgate, in Bolton Road, behind the Wool Exchange, and next door to Mercury House. The big mosque on Hamm Strasse which has been no more than a skeleton for six years - a relatively short time compared to the building of our cathedrals - is back again in build.

The Aldermanbury Development has been a disappointment, as was the withdrawal of the Manningham Mills developer. However, the Odsal Superdome project is looking better and better, with a developer now appointed. The movement of the Fat Refinery which has so long eluded us, looks like being secured.

Development in Bradford is not spectacular. It is not frothy. It is nonetheless real and we as Directors of Bradford Breakthrough will sell Bradford's successes wherever we go.

Our company has played its part in creating the climate in which all this can happen, sometimes directly as in the case of Forster Square - at other times indirectly. We are in a long shallow, economic cycle, a period of unusually low inflation and what has been termed 'profitless prosperity', a phrase not entirely substantiated by the excellent performance of many of Bradford's leading companies. Set backs such as the loss of BOC's Ohmeda and Lucas' Aerospace Division have been offset by the spectacular growth of Pace and Filtronic. The level of unemployment in Bradford continues to fall slowly and it is to be hoped that, together with other parts of the country, the current slowdown is no more than a pause before a general European recovery.

In this situation the role of Bradford Breakthrough must be the promotion of confidence in Bradford in all its forms and the rout of those whom the great Duke of Wellington would have described as "croakers". As an expression of that confidence Breakthrough sponsored a striking advertisement at Leeds/Bradford Airport for a period of three years, and will seek more opportunities with its partners for further promotion of Bradford.

In the course of 1995 several additional outstanding Bradford companies have joined Bradford Breakthrough and are now contributing to its strength.

We have continued to play a full part in the Bradford Congress. We are represented there by our Chairman Jack Smith. Our Chief Executive undertook a second year in the dual roles of Chief Executive of Bradford Breakthrough and Secretary of Bradford Congress.

Congress' bid for Keighley in the second round of the Single Regeneration Budget was successful and brought funding to the District of £19m for a period of 7 years.

BRADFORD BREAKTHROUGH LIMITED

Report of the Directors

2. Review of the Business (continued)

Our Director, John Tayler, has continued to represent his company and the private sector on the Board of the Royds Community Association.

We have continued our role as a founding partner of Bradford City Challenge, now in its final year and our support for the very many interests in the District which we have developed over the past six years.

We have concluded three, successful, seasons of the Bradford Total Quality Forum thanks to the inspiration and hard work of Brian Burton and are now working towards a redirection and restructuring of its activities.

Companies and Institutions which contributed personnel and resources to Bradford Breakthrough during the year were:

Abbey National Plc.	Charles Walls Group Ltd.
Allied Colloids Group Ltd.	Chase Advanced Technologies Ltd.
Barclays Bank Plc.	Empire
Benson Turner Limited	Fine Art Developments Plc.
Bradford & Bingley Building Society	Grattan Plc.
Bradford Cathedral	KPMG
Bradford Chamber of Commerce & Industry	Provident Financial
Bradford City Challenge Ltd.	University of Bradford
Bradford Common Purpose	Watmoughs (Holdings) Plc.
Bradford Metropolitan Council	Yorkshire Building Society
British Telecom	Yorkshire Cable Communications Ltd.
Business in the Community	Zeneca Pharma UK
Charles Sidney Mercedes-Benz	

Bradford Breakthrough will in 1996 continue to promote Bradford and District and to contribute to its development and prosperity.

3. Transfer to Reserves

The surplus for the year after taxation, amounted to £194 which is added to reserves. Under the provisions of its Memorandum of Association the company is prohibited from paying a dividend.

4. Directors

The directors who held office during the year were as follows:

J W Smith (Chairman)	J G B Watson
N Finnigan (Deputy Chairman)	B Burton
A Martinez	J G Ridings (Secretary)
C W D Sutcliffe	B M Massey (Appointed 21. 7.95)
R Penn	J P Tayler " "
T A Smith	Prof D J Johns " "
J S Richardson	D Hale " "
J A V Wade	J T T Hindley " "
J G Lodge	M K N L Joshi " "

Messrs. J. C. Clapham and J. Binnie retired as directors on 21st July, 1995.

5. Fixed Assets

The changes in fixed assets during the year are summarised in the notes to the accounts.

6. Auditors

A resolution to re-appoint Auker Rhodes (formerly Rhodes & Co.) as auditors will be put to the members at the Annual General Meeting.

Registered Office
Yorkshire House
Westgate
Bradford BD1 2AU
21st June, 1996

By Order of the Board


J W Smith
Chairman

Statement of 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 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.

Report of the Auditors

To The Members of Bradford Breakthrough Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described above 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 affairs of the company as at 31st December 1995 and of the surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Royd House
286 Manningham Lane
Bradford BD8 7BP

Auker Rhodes.

Auker Rhodes
Chartered Accountants
Registered Auditors

9th July, 1996

BRADFORD BREAKTHROUGH LIMITED

Income and Expenditure Account
For the year ended 31st December 1995

	Note	1995	1994
Income			
Contributions		58500	62250
Brochure sales		-	550
Promotional events		15369	21982
		<u>73869</u>	<u>84782</u>
Cost of promotional events		(12789)	(6033)
		<u>61080</u>	<u>78749</u>
Administrative expenses and project costs		(64781)	(65383)
		<u>(3701)</u>	<u>13366</u>
Interest receivable		<u>2438</u>	<u>2406</u>
(Deficit)/surplus on ordinary activities before taxation	3-4	(1263)	15772
Tax on (deficit)/surplus on ordinary activities	5	<u>1457</u>	<u>(1100)</u>
Surplus on ordinary activities after taxation	9	<u>£194</u>	<u>£14672</u>

Continuing Operations

None of the company's activities were acquired or discontinued during the above two financial years.

Total Recognised Gains and Losses

The company has no recognised gains or losses other than the surplus for the above two financial years.

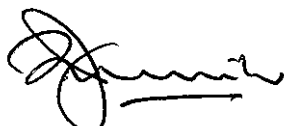
The notes on pages 6 to 9 form part of these financial statements.

BRADFORD BREAKTHROUGH LIMITED

Balance Sheet
at 31st December 1995

	Note	1995	1994
Fixed Assets			
Tangible assets	6	2536	1014
Current Assets			
Debtors	7	1725	14267
Cash at bank and in hand		59809	42590
		<u>61534</u>	<u>56857</u>
Creditors: amounts falling due within one year	8	(9029)	(3024)
		<u>52505</u>	<u>53833</u>
Net current assets			
Net Assets		<u>£55041</u>	<u>£54847</u>
Capital and Reserves			
Accumulated Funds	9	<u>£55041</u>	<u>£54847</u>

These financial statements were approved by the board of directors on 21st June, 1996 and were signed on its behalf by:



J W Smith
Director

The notes on pages 6 to 9 form part of these financial statements.

Notes To The Accounts

For the year ended 31st December 1995

1. Company Status

The company is registered under the Companies Act 1985 as a company limited by guarantee and not having a share capital. Every member of the company undertakes to contribute an amount not exceeding £10 on a winding up of the company.

2. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Fixed Assets and Depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Office equipment	-	20% on cost
Display equipment	-	50% on cost

Taxation

The charge for taxation is based on the chargeable profits for the year. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

3. (Deficit)/surplus on Ordinary Activities before Taxation

	1995	1994
stated after charging		
Auditors' remuneration - audit fee	800	800
- accountancy services	-	402
Directors' remuneration	-	-
Depreciation of tangible fixed assets	888	1510
	<u> </u>	<u> </u>

Notes to the Accounts

For the year ended 31st December 1995

4. Staff Numbers and Costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of Employees	
	1995	1994
Management	15	15
Administration	2	1
	<u>—</u>	<u>—</u>
	17	16
	<u>==</u>	<u>==</u>

The aggregate payroll costs of these persons were as follows:

Wages and salaries	71533	58576
Social security costs	7296	5646
Other pension costs (see note 2)	6938	4650
	<u>—</u>	<u>—</u>
	£85767	£68872
	<u>==</u>	<u>==</u>

Note:

- (1) The payroll costs of one administrative employee are recharged to Bradford Congress.
- (2) The pension charge represents amounts paid by the company to employees' personal pension schemes.

5. Taxation

UK corporation tax at 25% on		
trading and investment income credit/(charge)	£1457	£(1100)
	<u>==</u>	<u>==</u>

BRADFORD BREAKTHROUGH LIMITED

Notes to the Accounts

For the year ended 31st December 1995

6. Tangible Fixed Assets

	Office Equipment	Display Equipment	Total
Cost			
At beginning of year	7555	538	8093
Additions	2410	-	2410
	<u> </u>	<u> </u>	<u> </u>
At end of year	£9965	£538	£10503
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At beginning of year	6541	538	7079
Charge for year	888	-	888
	<u> </u>	<u> </u>	<u> </u>
At end of year	£7429	£538	£7967
	<u> </u>	<u> </u>	<u> </u>
Net Book Value			
At 31st December 1995	£2536	£-	£2536
	<u> </u>	<u> </u>	<u> </u>
At 31st December 1994	£1014	£-	£1014
	<u> </u>	<u> </u>	<u> </u>
7. Debtors	1995		1994
Trade debtors	268		294
Bradford Congress	-		13097
Prepayments	-		876
Corporation Tax repayable	1457		-
	<u> </u>		<u> </u>
	£1725		£14267
	<u> </u>		<u> </u>

BRADFORD BREAKTHROUGH LIMITED

Notes to the Accounts

For the year ended 31st December 1995

8. Creditors: amounts falling due within one year

	1995	1994
Corporation tax	100	1133
Accruals	8929	1891
	<u>£9029</u>	<u>£3024</u>

9. Accumulated Funds

Surplus for the year after taxation	194	14672
Funds at start of year	54847	40175
Funds at end of year	<u>£55041</u>	<u>£54847</u>

10. Directors Transaction

Mr. B. Burton has charged consultancy services in the year amounting to £4950 (1994 Nil).