

Company Registration No. 2811211

**BIRMINGHAM ECONOMIC DEVELOPMENT
PARTNERSHIP LIMITED
(a company limited by guarantee)**

Report and Financial Statements

31 MARCH 2007

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COMPANIES HOUSE

BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED
(a company limited by guarantee)

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2007

RESULTS

The group results include those of subsidiary undertaking The Birmingham Centre for Manufacturing Limited (BCM), which does not trade

The group loss for the year, after taxation, amounted to £164,839 (2006 - loss of £152,021)

ACTIVITY AND FUTURE DEVELOPMENTS

The group provided subsidised business support services to Birmingham businesses until 26 March 2001 when it ceased trading and the trade of the company was transferred to Birmingham Chamber of Commerce and Industry

The company intends to utilise its reserves to fund projects that are within the scope of the terms of applicable funding agreements. The directors are currently preparing a plan for future application of the remaining reserves. Funding of projects commenced in December 2004

DIRECTORS

The directors who served during the year and subsequently were as follows

S Battle	(resigned 7 August 2006)
M E Beasley	
J B Blackett	(appointed 7 August 2006)
D B Cragg	
C Dutton	(appointed 9 July 2007)
K Hardeman	(deceased 17 July 2007)
D J Maxted	(appointed 1 October 2006, resigned 31 March 2007)
D Pywell	(resigned 29 September 2006)
N Summerfield	(appointed 12 November 2007)
C I Squires	(appointed 7 August 2006)
S Topman	
M Whitby	

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution to re-appoint Ernst & Young LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting

By order of the Board



M A Hibbert
Company Secretary
21st January 2008

BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED
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STATEMENT OF 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 the group as at the end of the financial year and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED (a company limited by guarantee)

We have audited the group and parent company financial statements (the "financial statements") of Birmingham Economic Development Partnership Limited for the year ended 31 March 2007 which comprises the Group Profit and Loss Account, the Group and Company Balance Sheets, and the related notes 1 to 12. These financial statements have been prepared under 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned 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. However, the evidence available to us was limited with respect to the subsidiary company because the subsidiary company has insufficient records to enable it to prove that certain expenditures made in the past were in compliance with the terms of the grants received in respect of those expenditures. Consequently, it is possible that the relevant funding bodies could reclaim the grants received. It is not possible to quantify the total amounts of grants received that are impacted or to reliably estimate the potential amount repayable. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED (a company limited by guarantee) (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the parent company's affairs as at 31 March 2007 and
- except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the potential repayment of grants received by the subsidiary company (The Birmingham Centre for Manufacturing Limited), in our opinion the financial statements give a true and fair view of the state of affairs of the group as at 31 March 2007 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985

In respect solely of the limitation on our work relating to the potential repayment of grants received

- we have not obtained all the information and explanations that were considered necessary for the purpose of our audit, and
- we were unable to determine whether proper accounting records have been maintained

In our opinion, the information given in the Directors report is consistent with the financial statements

Ernst & Young LLP

Ernst & Young LLP
Registered auditor
Birmingham

29 January 2008

BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED
(a company limited by guarantee)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 31 March 2007

	Note	2007 £	2006 £
Other operating charges	2	<u>(180,197)</u>	<u>(169,899)</u>
OPERATING LOSS	4	<u>(180,197)</u>	<u>(169,899)</u>
Interest receivable	2	<u>18,591</u>	<u>21,446</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(161,606)</u>	<u>(148,453)</u>
Tax on loss on ordinary activities	5	<u>(3,233)</u>	<u>(3,568)</u>
LOSS AFTER TAXATION FOR THE FINANCIAL YEAR		<u><u>(164,839)</u></u>	<u><u>(152,021)</u></u>

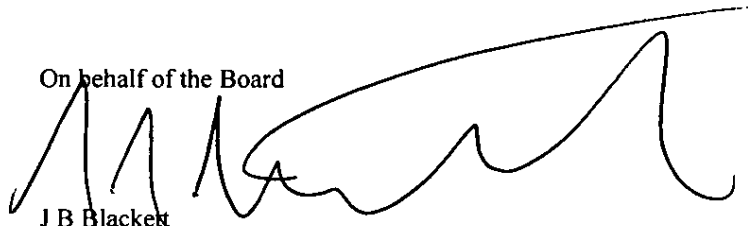
There are no recognised gains or losses other than the loss for either financial year. Accordingly, no statement of total recognised gains and losses is presented.

BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED
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CONSOLIDATED & COMPANY BALANCE SHEETS
31 March 2007

	Note	2007 £ Group	2006 £ Group	2007 £ Company	2006 £ Company
CURRENT ASSETS					
Debtors	7	1,254,101	1,256,268	1,253,728	1,255,173
Cash at bank and in hand		383,355	562,064	331,757	519,430
		<u>1,637,456</u>	<u>1,818,332</u>	<u>1,585,485</u>	<u>1,774,603</u>
CREDITORS: amounts falling due within one year					
	8	<u>(243,051)</u>	<u>(259,088)</u>	<u>(61,816)</u>	<u>(79,689)</u>
NET ASSETS					
		<u>1,394,405</u>	<u>1,559,244</u>	<u>1,523,669</u>	<u>1,694,914</u>
Represented by:					
PROFIT AND LOSS ACCOUNT	9	<u>1,394,405</u>	<u>1,559,244</u>	<u>1,523,669</u>	<u>1,694,914</u>

On behalf of the Board



J B Blackett
 Director

21st January 2008

BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2007

1. ACCOUNTING POLICIES

The particular accounting policies adopted by the directors are described below

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Basis of consolidation

The Group financial statements consolidate the results of the Company and its subsidiary for the year ended 31 March 2007

Taxation

Corporation tax payable is provided on taxable investment income and profit at the current rate

The company is only liable to tax on its investment income and as such the reconciliation between profit before tax and the tax charge required by FRS 19 has not been included

Cash flow statement

The company is exempt from the requirement of FRS 1 (revised) to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under Sections 246 to 249 of the Companies Act 1985 when filing financial statements with the Registrar of Companies

2. ANALYSIS OF PROFIT AND LOSS ACCOUNT

The Birmingham Economic Development Partnership Limited comprises the trading of two divisions, namely Business Link Birmingham and Enterprise Link Set out below is an analysis of the consolidated profit and loss account

	Business Link £	Enterprise Link £	BCM £	2007 Total £	2006 Total £
Other operating (charges)/credits	(185,799)	-	5,602	(180,197)	(169,899)
Operating loss	(185,799)	-	5,602	(180,197)	(169,899)
Interest receivable					
Bank interest	15,033	2,564	994	18,591	21,446
(Loss)/profit on ordinary activities before taxation	<u>(170,766)</u>	<u>2,564</u>	<u>6,596</u>	<u>(161,606)</u>	<u>(148,453)</u>

Other operating charges relate to service delivery costs and costs of sub-contractors and supplies derived from discontinued operations

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The group had no employees apart from the Directors who received no emoluments for their services to the group

BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2007

4. OPERATING LOSS

	2007	2006
	£	£
Operating loss is stated after charging:		
Auditors' remuneration		
Audit services	6,244	5,950
	<u>6,244</u>	<u>5,950</u>

5. TAX ON LOSS ON ORDINARY ACTIVITIES

	2007	2006
	£	£
Corporation tax at 20% (2006 – 20%)	3,233	3,568
	<u>3,233</u>	<u>3,568</u>

The group is only liable to tax on its investment income and as such the reconciliation between profit before tax and the tax charge required by FRS 19 has not been included

The subsidiary company The Birmingham Centre for Manufacturing Limited is a fully taxable company and as such can utilise its tax losses resulting in the adjustment for prior periods

6. LOSS FOR THE YEAR FOR BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED

The company has taken advantage of Section 230 of the Companies Act 1985 and consequently a profit and loss account for the Company alone is not presented. The loss dealt with in the company's profit and loss account was £171,721 (2006 – £150,937)

7. DEBTORS

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Amounts falling due within one year				
Sundry debtors and prepayments	4,101	6,268	3,728	5,173
	<u>4,101</u>	<u>6,268</u>	<u>3,728</u>	<u>5,173</u>
Amounts falling due after more than one year				
Sundry debtors	1,250,000	1,250,000	1,250,000	1,250,000
	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,250,000</u>
	<u>1,254,101</u>	<u>1,256,268</u>	<u>1,253,728</u>	<u>1,255,173</u>

8. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Trade creditors	52,094	54,269	3,406	5,581
Corporation tax	3,233	4,052	3,043	4,052
Other creditors	50,373	57,038	50,373	57,038
Accruals	137,351	143,729	4,994	13,018
	<u>243,051</u>	<u>259,088</u>	<u>61,816</u>	<u>79,689</u>

BIRMINGHAM ECONOMIC DEVELOPMENT PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2007

9. PROFIT AND LOSS ACCOUNT

	Group £	Company £
Balance brought forward at 1 April 2005	1,711,265	1,845,851
Loss for the year	<u>(152,021)</u>	<u>(150,937)</u>
Balance brought forward at 1 April 2006	1,559,244	1,694,914
Loss for the year	<u>(164,839)</u>	<u>(171,245)</u>
Balance carried forward at 31 March 2007	<u>1,394,405</u>	<u>1,523,669</u>

Of the reserves carried forward £64,631 (2006 - £62,670) was generated by Enterprise Link and is available solely for reinvestment within the programme of enterprise and business start up activities, which form part of the Single Regeneration Budget

The remaining reserves carried forward which have been generated from the DTI Business Services contract may only be used for the delivery of business support services

10. CONTINGENT LIABILITIES

A contingent liability has been identified within The Birmingham Centre for Manufacturing Limited

The subsidiary company has insufficient records to enable it to prove that certain expenditures in the past, made in good faith and all expensed in previous years were in compliance with the terms of the grants received in respect of those expenditures. Consequently, it is possible that the relevant funding bodies could reclaim the grants received. It is not possible to quantify the total amounts of grants received that are impacted or to reliably estimate the potential amount repayable. Accordingly, no provision has been made in these financial statements in respect of any possible grant reclaim.

The company has no contingent liabilities

11. LIMITED MEMBER LIABILITY

The company is limited by three members' guarantees, which are restricted to £1 per member

12. SUBSIDIARY COMPANY

The company controls The Birmingham Centre for Manufacturing Limited (a company limited by guarantee) that operates in Great Britain and is incorporated in England and Wales. The company ceased trading on 22 November 2001.