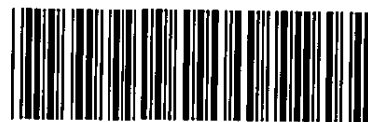


**BIRMINGHAM ECONOMIC DEVELOPMENT
PARTNERSHIP LIMITED**
(a company limited by guarantee)

Report and Financial Statements

31 MARCH 2008

THURSDAY



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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 2008.

RESULTS

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

The group profit for the year, after taxation, amounted to £138,581 (2007 - loss of £164,839).

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. In January 2009 the company's board entered into an agreement with the Birmingham Chamber of Commerce and Industry (BCCI) to utilise the majority of the company's reserves on the provision of business support and enterprise services to companies in the Birmingham and Solihull region over the following three years. Funding for the project has been provided to BCCI by converting the interest free loan of £1,250,000 to advanced funding and a further £205,000 was made available to BCCI in January 2009.

DIRECTORS

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

M E Beasley
J B Blackett
D B Cragg
C Dutton
N Summerfield
C I Squires
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.

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

By order of the Board



M A Hibbert
Company Secretary
27 January 2009

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

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 of Birmingham Economic Development Partnership Limited for the year ended 31 March 2008, which comprises the Group Profit and Loss Account, the Group and Company Balance Sheets, and the related notes 1 to 15. 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)

Qualified opinion arising from limitation in audit scope

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 2008 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 2008 and of the group's profit 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

27 January 2009

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

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 31 March 2008

| | Note | 2008 £ | 2007 £ |
|--|------|----------------|------------------|
| Other operating charges | 2 | (34,676) | (180,197) |
| OPERATING LOSS | 4 | (34,676) | (180,197) |
| Exceptional items | 5 | 177,003 | - |
| Result on ordinary activities before interest | | 142,327 | (180,197) |
| Interest receivable | 2 | 15,702 | 18,591 |
| PROFIT/(LOSS) ORDINARY ACTIVITIES BEFORE TAXATION | | 158,029 | (161,606) |
| Tax on profit/(loss) on ordinary activities | 6 | (19,448) | (3,233) |
| PROFIT/(LOSS) AFTER TAXATION FOR THE FINANCIAL YEAR | | <u>138,581</u> | <u>(164,839)</u> |

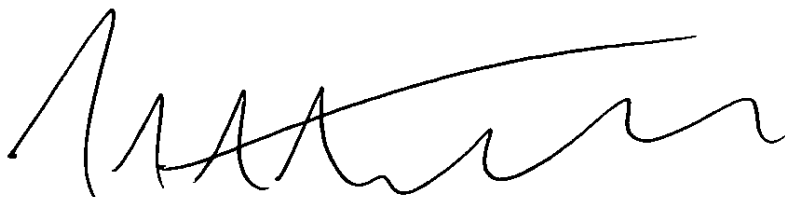
There are no recognised gains or losses other than the profit/(loss) for either financial year. Accordingly, no statement of total recognised gains and losses is presented.

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

CONSOLIDATED & COMPANY BALANCE SHEETS
31 March 2008

| | Note | 2008 £ Group | 2007 £ Group | 2008 £ Company | 2007 £ Company |
|---|------|--------------------|--------------------|----------------------|----------------------|
| CURRENT ASSETS | | | | | |
| Debtors | 8 | 1,253,551 | 1,254,101 | 1,253,414 | 1,253,728 |
| Cash at bank and in hand | | 323,390 | 383,355 | 268,930 | 331,757 |
| | | <u>1,576,941</u> | <u>1,637,456</u> | <u>1,522,344</u> | <u>1,585,485</u> |
| CREDITORS: amounts falling due within one year | 9 | <u>(43,955)</u> | <u>(243,051)</u> | <u>(19,751)</u> | <u>(61,816)</u> |
| NET ASSETS | | <u>1,532,986</u> | <u>1,394,405</u> | <u>1,502,593</u> | <u>1,523,669</u> |
| Represented by: | | | | | |
| PROFIT AND LOSS ACCOUNT | 10 | <u>1,532,986</u> | <u>1,394,405</u> | <u>1,502,593</u> | <u>1,523,669</u> |

On behalf of the Board



J B Blackett
Director

27 January 2009

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

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2008

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 2008.

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 Business Link Birmingham, Enterprise Link and Birmingham Centre for Manufacturing Limited. Set out below is an analysis of the profit and loss account:

| | Business Link £ | Enterprise Link £ | BCM £ | 2008 Total £ | 2007 Total £ |
|---|--------------------------------|----------------------------------|------------------|-----------------------------|-----------------------------|
| Other operating charges | (32,469) | - | (2,207) | (34,676) | (180,197) |
| Operating loss | (32,469) | - | (2,207) | (34,676) | (180,197) |
| Exceptional items (release of old balances) | - | - | 177,003 | 177,003 | - |
| Result on ordinary activities before interest | (32,469) | - | 174,796 | 142,327 | - |
| Bank interest receivable | 10,898 | 3,343 | 1,461 | 15,702 | 18,591 |
| Profit/(loss) on ordinary activities before taxation | (21,571) | 3,343 | 176,257 | 158,029 | (161,606) |

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
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2008

4. OPERATING LOSS

| | 2008 £ | 2007 £ |
|--|-----------|-----------|
| Operating loss is stated after charging: | | |
| Auditors' remuneration: | | |
| Audit services | 6,900 | 6,244 |

5. EXCEPTIONAL ITEMS

The directors of The Birmingham Centre for Manufacturing Limited have taken the decision to release all old liabilities and provisions to the income and expenditure account of the company. The liabilities released amount to £177,003.

The directors of The Birmingham Economic Development Partnership Limited are of the opinion that these liabilities and provisions are no longer valid due to the age of said amounts and the inability to validate or contact the potential creditors involved.

6. TAX ON PROFIT/ (LOSS) ON ORDINARY ACTIVITIES

| | 2008 £ | 2007 £ |
|------------------------------|-----------|-----------|
| Corporation tax (2007 – 20%) | 19,448 | 3,233 |

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.

7. 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 £21,076 (2007 – £171,245 loss).

8. DEBTORS

| | Group | | Company | |
|---|-----------|-----------|-----------|-----------|
| | 2008 £ | 2007 £ | 2008 £ | 2007 £ |
| Amounts falling due within one year: | | | | |
| Sundry debtors and prepayments | 3,551 | 4,101 | 3,414 | 3,728 |
| Amounts falling due after more than one year: | | | | |
| Sundry debtors (note 12) | 1,250,000 | 1,250,000 | 1,250,000 | 1,250,000 |
| | 1,253,551 | 1,254,101 | 1,253,414 | 1,253,728 |

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

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2008

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Company | |
|-----------------|---------------|----------------|----------------|---------------|
| | 2008 | 2007 | 2008 | 2007 |
| | £ | £ | £ | £ |
| Trade creditors | 5,321 | 52,094 | 5,321 | 3,406 |
| Corporation tax | 19,638 | 3,233 | 2,848 | 3,043 |
| Other creditors | 6,182 | 50,373 | 6,182 | 50,373 |
| Accruals | 12,814 | 137,351 | 5,400 | 4,994 |
| | <u>43,955</u> | <u>243,051</u> | <u>19,751</u> | <u>61,816</u> |

10. PROFIT AND LOSS ACCOUNT

| | Group | Company |
|--|------------------|------------------|
| | £ | £ |
| 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 brought forward at 1 April 2007 | 1,394,405 | 1,523,669 |
| Profit/(loss) for the year | <u>138,581</u> | <u>(21,076)</u> |
| Balance carried forward at 31 March 2008 | <u>1,532,986</u> | <u>1,502,593</u> |

Of the reserves carried forward £67,395 (2007 - £64,721) 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.

11. CONTINGENT LIABILITIES

The company has no contingent liabilities.

12. RELATED PARTY TRANSACTIONS

An unsecured interest free loan of £1,250,000 was made to the Birmingham Chamber of Commerce and Industry (a member of the company) on 24th May 2001 (see note 13).

13. POST BALANCE SHEET EVENT

In January 2009 the company's board entered into an agreement with the Birmingham Chamber of Commerce and Industry (BCCI) to utilise the majority of the company's reserves on the provision of business support and enterprise services to companies in the Birmingham and Solihull region over the following three years. Funding for the project has been provided to BCCI by converting the interest free loan of £1,250,000 to advanced funding and a further £205,000 was made available to BCCI in January 2009.

14. LIMITED MEMBER LIABILITY

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

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

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2008

15. 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.