

36148



**EAST MERCIA CHAMBER
OF COMMERCE & INDUSTRY**

(LIMITED BY GUARANTEE)

**Report of the Council
and Accounts**

1994

To be Presented to the Chamber at the
One Hundred and Thirteenth Annual Meeting

28th April 1995



COMPANIES HOUSE 24/05/95

COMPANIES HOUSE 18/05/95

EAST MERCIA CHAMBER OF COMMERCE AND INDUSTRY
(Limited by Guarantee)
COMPANY REGISTRATION NO. 36148

Report of the Council and Annual
Accounts for the Year 1994

COUNCIL MEMBERS AND ADVISERS

President:

J.R.C. SAYERS

Treasurer:

J.D. BAKER, J.P., F.C.A.

Council Members who served during the year:

D.S.FROST - Chief Executive

MISS J. ANTILL
J.D. BAKER J.P., F.C.A.
MRS S. BLACK
R. BOND
M.D. BROWN
D.L. CARVER

M. COLLINS
P.E. COOKE
R.C. CRANE
J.S. DAIN
J.A. HAYWOOD
W.M. GOOD
B.F. LOWE

A. COTTERILL - Financial Director

R.S. MCDONALD
N.J. MADELEY
A.S. MINIFIE
J.N. PUNCH
J.R.C. SAYERS
J.F. WOOLRIDGE

Advisers:

Auditors:

ARTHUR HASLAM & CO.
Chartered Accountants,
Walsall.

Bankers:

MIDLAND BANK plc
The Bridge,
Walsall.

Solicitors:

HADEN STRETTON
SLATER MILLER
Leicester Buildings,
Walsall.

Solicitors:

KEELY SMITH
AND JOBSON
Dam Street,
Lichfield.

Honorary Life Members:

SIR JAMES ACKERS
J. ANTILL, O.B.E.
J. ASPINALL
J.D. BAKER, J.P., F.C.A.
D.L. CARVER
G.T. DAVIES
S.A.S. ECCLESTON, J.P.

LEON JESSEL, M.B.E., J.P.
W. JONES
T.I.C. MCKENZIE
J.T. OXLEY
E.H. PAGE
R.M. PRUGGMAYER
J.N. PUNCH
J.R.C. SAYERS

J.R.C. SAYERS
P.C. SABAPATHY
P.E. SANKEY
W.A. STEPHENS, J.P.
J. TAMBERLIN
G.S.C. TRENCH
S.W.P. WHEWAY

Registered Office:

Chamber of Commerce House, Ward Street, Walsall WS1 2AG
Tel: 01922 721777
Fax: 01922 647359

EAST MERCIA CHAMBER OF COMMERCE AND INDUSTRY
(Limited by Guarantee)

NOTICE OF MEETING

Notice is hereby given that the one hundred and thirteenth Annual General Meeting will be held at The Masonic Hall, The Green, Aldridge, Walsall on Friday April 28th, 1995 at 11.15 am precisely.

The Annual General Meeting will be followed by a Council Meeting for the election of Officers and other business, and this meeting will be open to all members.

AGENDA

1. To receive apologies for absence.
2. To confirm the minutes of the Annual General Meeting held on 22nd April 1994.
3. To receive and adopt the Report and Annual Accounts for the year ended 31st December, 1994.
4. To elect members of the Council.
To consider the re-election of the following members:-
Mrs S. Black, Messrs D.L Carver, P.E. Cooke, J.S. Dain, J. Haywood, R.S. McDonald A.
Minifie and R. Crane.
5. To elect Mr J. Osborne as honorary life member of the Chamber.
6. To elect Auditors and fix their remuneration.
7. To transact any other business which may be transacted at an Annual General Meeting of the company.

A. COTTERILL,
Secretary

Chamber of Commerce House,
Ward Street,
Walsall
14th March, 1995

EAST MERCIA CHAMBER OF COMMERCE AND INDUSTRY
(Limited by Guarantee)

REPORT OF THE COUNCIL

The council submit their report and annual accounts for the year ended 31st December, 1994.

Results

The surplus for the year, after taxation, amounted to £78,360 which has been transferred to reserves.

Change of name

The Company changed its name from Walsall Chamber of Commerce and Industry to East Mercia Chamber of Commerce and Industry on the 22nd April 1994.

Review of operations

With effect from 3rd May 1994, the Chamber expanded its area of influence with the merger of Walsall Chamber of Commerce and Industry, the Burton upon Trent and District Chamber of Commerce & Industry and Tamworth Chamber of Commerce Limited.

The company's principal activities during the year were to provide a service to members on any matter affecting trade and commerce, to disseminate information on export matters, to act as an issuing authority for certificates of origin and other export documents and to organise trade promotion activities, training and consultancy services.

The council consider the overall results satisfactory.

Share capital

The Chamber is a company limited by guarantee and does not have a share capital.

Fixed assets

Changes in the fixed assets during the year are summarised in the notes to the accounts. Council are of the opinion that the value of the freehold land and buildings is in excess of the book value shown in the accounts but in the absence of a professional valuation an accurate estimation of the market value cannot be given.

Directors

The Members of the Council are shown on page 1 and for the purpose of the Companies Act are deemed to be the Directors.

During the year Mrs S. Black, J.S. Dain, J. Haywood, R.S. McDonald, A. Minifie, R. Bond, R. Crane were appointed to, and Miss J. Antill, Messrs R. Bond, M.D. Brown, N.J. Madeley and J.F. Woolridge retired.

The members who retire by rotation are; Messrs D.L. Carver and P.E. Cooke.

Council's responsibility

The Council is required by UK company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the surplus or deficiency for that period. In preparing the financial statements, appropriate accountancy policies have been used and applied consistently and reasonable and prudent judgements

and estimates have been made. Applicable accounting standards have been followed. The Council is responsible for maintaining adequate accounting records, for safeguarding the assets of the company, and for preventing and detecting fraud and other irregularities.

Auditors

The auditors Messrs Arthur Haslam & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act, 1985.

ON BEHALF OF THE COUNCIL



A. COTTERILL
SECRETARY
DATED 14th March 1995

CHAMBER OF COMMERCE HOUSE,
WARD STREET,
WALSALL

REPORT OF THE AUDITORS

to the members of East Mercia Chamber of Commerce & Industry

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3 the company's Council 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 Council 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 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 the company's affairs as at the 31st December 1994 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



ARTHUR HASLAM & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
WALSALL

DATED 14th March 1995

INCOME AND EXPENDITURE ACCOUNT

for the year ended

31st December 1994

		1994	1993
Note		£	£
2.	INCOME	3,026,154	2,283,318
	Expenses recharged to members	<u>114,299</u>	<u>102,873</u>
		2,911,855	2,180,445
	Operating Expenses	<u>2,864,915</u>	<u>2,128,401</u>
3.	OPERATING SURPLUS	46,940	52,044
	Rent income	35,780	44,898
	Income from investments	73	5,519
	Interest Receivable	6,473	7,302
	Profit on sale of investments	<u>8,400</u>	<u>18,785</u>
	SURPLUS FOR YEAR on ordinary activities before taxation	97,666	128,548
6.	TAXATION on ordinary activities	<u>19,306</u>	<u>16,097</u>
	SURPLUS FOR YEAR on ordinary activities after taxation	78,360	112,451
	RETAINED SURPLUS BROUGHT FORWARD	<u>1,195,813</u>	<u>1,083,362</u>
16.	RETAINED SURPLUS CARRIED FORWARD	<u><u>1,274,173</u></u>	<u><u>1,195,813</u></u>

There were no recognised gains or losses in 1994 or 1993 other than those shown in the income and expenditure account.

There were no discontinued operations in the period.

The notes on pages 9 to 12 form part of these accounts.

BALANCE SHEET

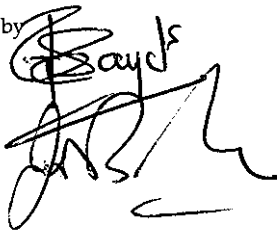
31st December 1994

Note	1994		1993	
	£	£	£	£
7.	TANGIBLE FIXED ASSETS	908,266	885,975	
8.	INVESTMENTS	13,148	2,500	
	CURRENT ASSETS			
9.	DEBTORS: Amounts falling due within one year	691,079	549,879	
	Cash at Bank and in Hand	19,640	22,863	
		<u>710,719</u>	<u>572,742</u>	
10.	CREDITORS: Amounts falling due within one year	357,960	265,404	
	NET CURRENT ASSETS	<u>352,759</u>	<u>307,338</u>	
	TOTAL NET ASSETS	<u><u>1,274,173</u></u>	<u><u>1,195,813</u></u>	
	CAPITAL AND RESERVES			
12.	Called up Share Capital	-	-	
	Accumulated surplus	<u>1,274,173</u>	<u>1,195,813</u>	
16.	MEMBERS' FUNDS	<u><u>1,274,173</u></u>	<u><u>1,195,813</u></u>	

The accounts on pages 5 to 12 were approved by the Council on 14th March, 1995.

and signed on its behalf by

J.R.C. Sayers, President
J.D. Baker, Treasurer



The notes on pages 9 to 12 form part of these accounts.

CASH FLOW STATEMENT

for the year ended

31st December 1994

Note	1994		1993	
	£	£	£	£
1.	NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES		81,002	(5,274)
	Rent income	35,780	44,898	
	Income from investments	73	5,519	
	Interest received	<u>6,473</u>	<u>7,302</u>	
	NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		42,326	57,719
	TAXATION			
	Corporation tax (paid) refunded	(16,212)	17,876	
	INVESTING ACTIVITIES			
	Payments to acquire tangible fixed assets	(108,091)	(177,285)	
	Payments to acquire investments	(13,148)	-	
	Receipts on sale of investments	10,900	123,934	
	Receipts from sales of tangible fixed assets	<u>-</u>	<u>21,045</u>	
	CASH OUTFLOW FROM INVESTING ACTIVITIES		<u>(110,339)</u>	<u>(32,306)</u>
2.	NET CASH (OUTFLOW) INFLOW		<u>(3,223)</u>	<u>38,015</u>
	(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		<u>(3,223)</u>	<u>38,015</u>

CASH FLOW STATEMENT

for the year ended

31st December 1994

NOTES TO THE CASH FLOW STATEMENT

	1994	1993	
Note	£	£	
1. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES			
Operating surplus	59,245	52,004	
Depreciation charges	83,842	56,554	
Increase in debtors	(151,547)	(97,831)	
Increase (Decrease) in creditors	89,462	(16,041)	
	<u>81,002</u>	<u>(5,274)</u>	
Net cash inflow (outflow) from operating activities			
2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR			
Balance at 31st December, 1993	22,863	(15,152)	
Net cash inflow (outflow)	(3,223)	38,015	
	<u>19,640</u>	<u>22,863</u>	
Balance at 31st December, 1994			
3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET			
	31.12.94	31.12.93	Change in year
	£	£	£
Cash at bank and in hand	<u>19,640</u>	<u>22,863</u>	<u>(3,223)</u>
	31.12.93	31.12.92	Change in year
	£	£	£
Cash at bank and in hand	22,863	302,820	(279,957)
Short term investments	-	138,000	(138,000)
Bank overdrafts.. .. .	-	(455,972)	455,972
	<u>22,863</u>	<u>(15,152)</u>	<u>38,015</u>

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with applicable Accounting Standards. The accounts have been prepared under the historical cost convention and conform with the Companies Act 1985.

TANGIBLE ASSETS

Tangible fixed assets are stated at cost less amounts provided to write off assets over their useful economic life.

DEPRECIATION

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset evenly over their useful lives which are estimated as follows:-

	Years
Short Leasehold buildings	Over period of lease
Freehold buildings	50 years
Motor vehicles, office equipment & furniture, leasehold buildings ..	2-10 years

INVESTMENTS

Investments are stated at cost less provision for any permanent diminution in value. For listed investments, market value is based on the closing middle market price on a recognised stock exchange.

REPAIRS AND RENEWALS

Repairs and renewals are charged to revenue in the year in which the expenditure is incurred.

PENSIONS

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

LEASES

Rentals payable under operating leases are charged to the profit and loss account on the straight line basis over the lease term.

UK CORPORATION TAX

The taxation charge has been calculated on the basis that a proportion of the company's operating surplus has been derived from non-mutual activities.

DEFERRED TAXATION

Deferred Taxation is provided for liabilities that may crystalize in the future, using the liability method.

2. INCOME

This represents the total amount receivable, excluding value added tax, for members subscriptions and services provided for the issuing of certificates of origin and other forms, organising trade missions, group telex and the training operations.

Contributions to income from members subscriptions and charge for services provided are as follows:-

	1994 £	1993 £
Members subscriptions	165,510	121,893
Charges for services provided	2,860,644	2,161,425
	<u>3,026,154</u>	<u>2,283,318</u>

Note	1994	1993
	£	£
3. OPERATING SURPLUS		
This is arrived at after charging:-		
Depreciation	85,800	56,554
Auditor's Remuneration:-		
Audit	2,150	2,000
Non Audit	1,850	2,000
Council members remuneration	94,732	56,538
OPERATING LEASE PAYMENTS:		
Land and Buildings	136,040	74,550
Office Equipment	19,924	10,908
	<u>1,593,233</u>	<u>1,241,736</u>
4. STAFF COST		
Wages and salaries	1,436,261	1,109,352
Employers national insurance contributions	136,861	107,796
Other pension costs	20,111	24,588
	<u>1,593,233</u>	<u>1,241,736</u>
	No.	No.
The average number of employees during the year was made up as follows:-		
Office and management	36	22
Training officers	95	75
	<u>131</u>	<u>97</u>
Council Member's Emoluments:		
President	Nil	
The number of Council Members in the following emolument bands (excluding pension contributions) :		
£0	19	
£30,001 - £35,000	1	
£55,001 - £60,000	1	
The highest paid Director's emoluments were £56,487		
Aggregate Council Members' remuneration for 1993 did not exceed £60,000.		
5. PENSION COSTS:-		
The Chamber operates a funded defined contribution pension scheme.		
Pension cost charged to profit on ordinary activities	20,111	24,588
Contributions outstanding included under creditors	-	-
Prepaid contributions included under debtors	-	-
6. TAXATION		
UK Corporation tax at 25%		
Amount payable	<u>19,306</u>	<u>16,097</u>

NOTES TO THE ANNUAL ACCOUNTS

31st December 1994

7. TANGIBLE FIXED ASSETS

	Freehold/ Leasehold Land and Buildings	Motor Vehicles Office Equipment and Furniture	Total
	£	£	£
COST			
At 1st January, 1994	800,179	450,321	1,250,500
Additions	31,885	76,206	108,091
Disposals	(8,401)		(8,401)
At 31st December, 1994	<u>823,663</u>	<u>526,527</u>	<u>1,350,190</u>

LAND AND BUILDINGS COST COMPRISES:-

Land	34,764
Freehold property	723,907
Short leasehold property	64,992
	<u>823,663</u>

DEPRECIATION

At 1st January, 1994	111,936	252,589	364,525
Provided for year	26,174	59,626	85,800
On Disposals	(8,401)		(8,401)
At 31st December, 1994	<u>129,709</u>	<u>312,215</u>	<u>441,924</u>

NET BOOK VALUE at 31.12.94 693,954 214,312 908,266

NET BOOK VALUE at 31.12.93 688,243 197,732 885,975

8. INVESTMENTS AT COST

	1993	1994
	£	£
Quoted Investments	13,148	-
Unquoted investments	-	2,500
	<u>13,148</u>	<u>2,500</u>

The investments, government securities, had a market value at the 31st December 1994 of £17,149.

9. DEBTORS: amounts falling due within one year

Trade	631,697	461,338
Prepayments and accrued income	32,889	38,525
	<u>664,586</u>	<u>499,863</u>
Engineering Centre current account	26,493	50,016
	<u>691,079</u>	<u>549,879</u>

10. CREDITORS: amounts falling due within one year

Trade Creditors	59,674	85,113
Current Corporation Tax	24,114	21,020
Other Taxes and Social Security Costs	42,052	45,171
Accruals	18,987	24,019
Other Creditors	173,041	90,081
Loan Accounts (see note on page 12)	40,092	-
	<u>352,759</u>	<u>265,404</u>

Midland Bank plc. have a mortgage on the freehold property at Ward Street, Walsall as security for any bank indebtedness.

NOTE

On 3rd May 1994 East Mercia Chamber of Commerce and Industry ("East Mercia") merged with the Burton upon Trent and District Chamber of Commerce and Industry ("Burton") and Tamworth Chamber of Commerce ("Tamworth"). In accordance with the merger Agreement dated the assets of "Burton" and "Tamworth" were transferred to "East Mercia", and are included in the assets at 31st December 1994 and are represented by Loan Accounts as follows:-

"Burton"	..	..	..	..	..	..	..	..	..	£	35,063
"Tamworth"	..	..	..	..	..	..	..	..	..		5,029
											<u>40,092</u>

Members of "Burton" and "Tamworth" have the right at any time up to 3rd May 1997 to require repayment of these Loan Accounts. The effect of the merger on the current years' results is not material.

		1994	1993
		£	£
11.	DEFERRED TAXATION		
	This comprises the following:		
	Capital allowances in advance of depreciation	(4,299)	(2,924)
	Capital gain arising on disposal of freehold property	<u>4,299</u>	<u>2,924</u>
		<u>-</u>	<u>-</u>
12.	CALLED UP SHARE CAPITAL		
	The company is limited by guarantee and does not have a Share Capital.		
	The members have a liability to contribute to the assets a maximum of £1 each in the event of the company being wound up.		
13.	OPERATING LEASE COMMITMENTS		
	At the 31st December the company was committed to the following annual payments relating to operating leases:-		
	Land and Buildings:		
	Expiry within one year	9,250	35,920
	Expiry between 1 and 5 years	33,525	70,473
	Expiry over 5 years	<u>71,450</u>	<u>-</u>
		<u>114,225</u>	<u>106,393</u>
	Office Equipment:		
	Expiry within 1 year	1,128	2,260
	Expiry between 1 and 5 years	18,820	8,730
		<u>19,948</u>	<u>10,990</u>
14.	CAPITAL COMMITMENTS		
	There were no capital commitments in 1993 and 1994.		
15.	CONTINGENT LIABILITY		
	The company has guaranteed any indebtedness to Midland Bank plc. by Walsall Chamber of Commerce Engineering Centre Limited.		
	At 31st December, 1994 there was no such indebtedness (1993: £Nil)		
16.	RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS		
	Surplus for the financial year	78,360	112,451
	Opening Members' Funds	<u>1,195,813</u>	<u>1,083,362</u>
	Closing Members' Funds	<u>1,274,173</u>	<u>1,195,813</u>