

Company Registration No 00036148 (England and Wales)

**EMCCI (LIMITED BY GUARANTEE)**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2011**

WEDNESDAY



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# EMCCI (LIMITED BY GUARANTEE)

## COMPANY INFORMATION

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<b>Directors</b>	John Derek Baker Brian Frank Lowe John Murray John Nicholas Punch
<b>Secretary</b>	John Derek Baker
<b>Company number</b>	00036148
<b>Registered office</b>	16 Broadway North Walsall West Midlands WS1 2AN
<b>Auditors</b>	Whitehouse Ridsdale 26 Birmingham Road Walsall West Midlands WS1 2LZ
<b>Bankers</b>	HSBC Bank plc The Bridge Walsall West Midlands WS1 1LN

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# EMCCI (LIMITED BY GUARANTEE)

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# **EMCCI (LIMITED BY GUARANTEE)**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2011**

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The directors present their report and financial statements for the year ended 31 July 2011

### **Principal activities**

The principal activity of the company is that of a property holding company and holding of investments

### **Directors**

The following directors have held office since 1 August 2010

John Derek Baker  
Brian Frank Lowe  
John Murray  
John Nicholas Punch

### **Auditors**

Whitehouse Ridsdale were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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

# EMCCI (LIMITED BY GUARANTEE)

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

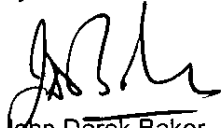
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### Statement of disclosure to auditors

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



John Derek Baker

Secretary

12 March 2012

# **EMCCI (LIMITED BY GUARANTEE)**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMCCI (LIMITED BY GUARANTEE)**

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We have audited the financial statements of EMCCI (Limited by Guarantee) for the year ended 31 July 2011 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of matter - valuation of investment properties**

In forming our opinion on the financial statements, which is not modified, we have considered the appropriateness of the carrying value of the company's investment property. As detailed in note 5 to the financial statements, the directors have elected to include the investment property in the financial statements at a value of £625,000 but, in the opinion of an independent valuer, this value may be affected by the existence of a lease at a rate which does not reflect market rental level. In the opinion of the independent valuer the value of the property with the current lease attached was £525,000.

The financial statements do not include the adjustments that would result if the carrying value of the property was recorded at the amount considered by the independent valuer to have reflected the current market value given the existence of the lease agreement.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **EMCCI (LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF EMCCI (LIMITED BY GUARANTEE)**

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report

**Terence Luckin (Senior Statutory Auditor)**  
for and on behalf of **Whitehouse Ridsdale**

12 March 2012

**Chartered Accountants**  
**Statutory Auditor**

26 Birmingham Road  
Walsall  
West Midlands  
WS1 2LZ

## EMCCI (LIMITED BY GUARANTEE)

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2011

	Notes	2011 £	2010 £
Turnover		20,000	20,000
Administrative expenses		(5,920)	(18,914)
Other operating income		6,667	10,000
<b>Operating profit</b>	<b>2</b>	<b>20,747</b>	<b>11,086</b>
Investment income	<b>3</b>	30,000	15,000
Other interest receivable and similar income	<b>3</b>	-	16
Interest payable and similar charges		(10,983)	(5,498)
<b>Profit on ordinary activities before taxation</b>		<b>39,764</b>	<b>20,604</b>
Tax on profit on ordinary activities	<b>4</b>	(2,302)	(2,711)
<b>Profit for the year</b>	<b>11</b>	<b>37,462</b>	<b>17,893</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations



## EMCCI (LIMITED BY GUARANTEE)

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 JULY 2011

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	Notes	2011 £	2010 £
Profit for the financial year		37,462	17,893
Unrealised deficit on revaluation of properties		-	(25,000)
<b>Total recognised gains and losses relating to the year</b>		<u>37,462</u>	<u>(7,107)</u>

# EMCCI (LIMITED BY GUARANTEE)


## BALANCE SHEET AS AT 31 JULY 2011

	Notes	2011		2010	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5	625,000		625,000	
Investments	6	375,000		375,000	
		<u>1,000,000</u>		<u>1,000,000</u>	
<b>Current assets</b>					
Debtors	7	9,871	21,083		
Cash at bank and in hand		28,027	28,380		
		<u>37,898</u>	<u>49,463</u>		
<b>Creditors amounts falling due within one year</b>	8	<u>(192,932)</u>	<u>(212,036)</u>		
<b>Net current liabilities</b>		<u>(155,034)</u>		<u>(162,573)</u>	
<b>Total assets less current liabilities</b>		<u>844,966</u>		<u>837,427</u>	
<b>Creditors amounts falling due after more than one year</b>	9	<u>(235,078)</u>	<u>(265,001)</u>		
		<u>609,888</u>	<u>572,426</u>		
<b>Capital and reserves</b>					
Revaluation reserve	11	262,501	262,501		
Profit and loss account	11	347,387	309,925		
<b>Members' funds</b>	12	<u>609,888</u>	<u>572,426</u>		

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 12 March 2012

  
Brian Frank Lowe  
Director

  
John Derek Baker  
Director

Company Registration No 00036148

# EMCCI (LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2011

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

#### 1.2 Turnover

Turnover represents rent receivable

#### 1.3 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value and no depreciation is provided

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value

#### 1.5 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

#### 1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

<b>2 Operating profit</b>	<b>2011</b>	<b>2010</b>
	£	£
Operating profit is stated after charging		
Auditors' remuneration (including expenses and benefits in kind)	2,430	1,800
	<u>          </u>	<u>          </u>

# EMCCI (LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

<b>3</b>	<b>Investment income</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Income from shares in group undertakings	30,000	15,000
	Bank interest	-	16
		<u>30,000</u>	<u>15,016</u>
<b>4</b>	<b>Taxation</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	2,302	2,711
	<b>Total current tax</b>	<u>2,302</u>	<u>2,711</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	39,764	20,604
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.67% (2010 - 21.00%)	8,219	4,327
	Effects of		
	Non deductible expenses	284	1,534
	Other tax adjustments	(6,201)	(3,150)
		<u>(5,917)</u>	<u>(1,616)</u>
	<b>Current tax charge for the year</b>	<u>2,302</u>	<u>2,711</u>

# EMCCI (LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

### 5 Tangible fixed assets

	Investment properties £
<b>Cost or valuation</b>	
At 1 August 2010 & at 31 July 2011	625,000
<b>Net book value</b>	
At 31 July 2011	625,000
At 31 July 2010	625,000

The most recent professional valuations of investment properties were made in a report dated 6 January 2010 by Silk Plant Associates, independent valuers, on an open market basis. The amount of the valuation of £625,000 has been incorporated in the financial statements.

Part of the property is currently let to Black Country Chamber of Commerce and Industry for a rental of £1 per annum, which does not reflect the market rental level. Silk Plant Associates based their valuation of £625,000 on the assumption that the break clause in the lease agreement would be implemented by 30 June 2010, and a new lease would be granted reflecting the market rental level from 1 January 2011. The valuers were of the opinion that without implementation of the break clause the value of the property would be £525,000.

The directors have not implemented the break clause in the lease and, as a result, Black Country Chamber of Commerce and Industry will continue to rent part of the premises for an annual rental of £1 until the lease expires on 31 December 2013. However, the directors have no plans to sell the property for the foreseeable future, and do not consider that there is any long term impairment of the value of the property arising from the agreement with Black Country Chamber of Commerce and Industry. They have therefore elected to include the property at a value of £625,000, which they consider still reflects the market value.

On an historical cost basis these would have been included at an original cost of £362,500 (2010 - £362,500).

# EMCCI (LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

### 6 Fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost or valuation</b>	
At 1 August 2010 & at 31 July 2011	375,000
<b>Net book value</b>	
At 31 July 2011	375,000
At 31 July 2010	375,000

The investments include holdings of 100% of the ordinary and preference share capital of PTP Training Limited, which in turn holds 100% of the ordinary share capital of J & N Properties Services Limited, together with sole membership of British Business Parks

PTP Training Limited, J & N Properties Services Limited and British Business Parks are all incorporated in England

The principal activity of PTP Training Limited is the provision of training. At 31 July 2011 the aggregate capital and reserves of PTP Training Limited were £730,332 and its profit for the year to that date was £151,639

The principal activity of J & N Properties Services Limited is the letting of its own property. At 31 July 2011 the aggregate capital and reserves were £72,922 and its profit for the year to that date was £27,593

The principal activity of British Business Parks is regeneration and business support services activity across the West Midlands. At 31 July 2011 the aggregate reserves were £959 and its profit for the period to that date was £901

7 Debtors	2011 £	2010 £
Other debtors	9,871	21,083

## EMCCI (LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

8	Creditors amounts falling due within one year	2011 £	2010 £
	Bank loans and overdrafts	26,716	25,306
	Taxation and social security	2,302	2,711
	Other creditors	163,914	184,019
		<u>192,932</u>	<u>212,036</u>
	Debt due in one year or less	<u>26,716</u>	<u>25,306</u>
9	Creditors amounts falling due after more than one year	2011 £	2010 £
	Bank loans	<u>235,078</u>	<u>265,001</u>
	<b>Analysis of loans</b>		
	Not wholly repayable within five years by instalments	261,794	290,307
	Included in current liabilities	(26,716)	(25,306)
		<u>235,078</u>	<u>265,001</u>
	Instalments not due within five years	<u>117,094</u>	<u>153,038</u>
	<b>Loan maturity analysis</b>		
	In more than one year but not more than two years	27,784	26,350
	In more than two years but not more than five years	90,200	85,613
	In more than five years	<u>117,094</u>	<u>153,038</u>

The bank loan is secured by a mortgage over the company's investment property

#### 10 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.

# EMCCI (LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

### 11 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 August 2010	262,501	309,925
Profit for the year	-	37,462
	<hr/>	<hr/>
Balance at 31 July 2011	<u>262,501</u>	<u>347,387</u>

### 12 Reconciliation of movements in members' funds

	2011	2010
	£	£
Profit for the financial year	37,462	17,893
Other recognised gains and losses	-	(25,000)
	<hr/>	<hr/>
Net addition to/(depletion in) members' funds	37,462	(7,107)
Opening members' funds	572,426	579,533
	<hr/>	<hr/>
Closing members' funds	<u>609,888</u>	<u>572,426</u>

### 13 Control

There is no single ultimate controlling party

### 14 Related party relationships and transactions

The Trustees of EMCCI, who are also directors of EMCCI, have made interest free loans, repayable on demand, to the company during previous years. During 2011 the company made repayments amounting to £16,800 and the balance at the year end was £159,900 (2010 - £176,700). This is included in other creditors in note 8 to the financial statements. These repayments included a contribution of £7,500 to PTP Training Limited towards the costs of opening their new premises in Walsall.

During the year the company received dividends of £30,000 from PTP Training Limited. PTP Training Limited is a wholly owned subsidiary of EMCCI.

The directors of EMCCI are also the trustees/directors of Walsall Chamber of Commerce Engineering Centre Ltd, a charitable company limited by guarantee. EMCCI provides assistance to the charitable company by meeting various governance costs.