

EAST MERCIA CHAMBER OF COMMERCE AND INDUSTRY

(Limited by Guarantee)
COMPANY REGISTRATION No. 36148



Report of the Council and Annual Accounts for the Year 1995

COUNCIL MEMBERS AND ADVISERS

President:

J. R. C. SAYERS

Vice-President:

B. F. LOWE

Treasurer:

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

Council Members who served during the year:

D. S. FROST – Chief Executive

A. COTTERILL – Financial Director

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

R. C. CRANE

A. S. MINIFIE

Mrs. S. BLACK

J. S. DAIN

F. PRITCHARD

D. L. CARVER

W. M. GOOD

J. N. PUNCH

M. COLLINS

J. A. HAYWOOD

J. R. C. SAYERS

P. E. COOKE

B. F. LOWE

J. F. WOOLRIDGE

R. S. McDONALD

Advisers:

Auditors:

ARTHUR HASLAM & Co.
Chartered Accountants
Walsall

Bankers:

MIDLAND BANK plc
The Bridge
Walsall

Solicitors:

HADEN STRETTON
SLATER MILLER
Leicester Buildings
Walsall

Honorary Life Members:

Sir JAMES ACKERS

LEON JESSEL, M.B.E., J.P.

P. C. SABAPATHY

J. ANTILL, O.B.E.

W. JONES

P. E. SANKEY

J. ASPINALL

T. I. C. McKENZIE

J. R. C. SAYERS

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

J. OSBORNE

W. A. STEPHENS, J.P.

D. L. CARVER

J. T. OXLEY

J. TAMBERLIN

G. T. DAVIES

E. H. PAGE

G. S. C. TRENCH

S. A. S. ECCLESTON, J.P.

R. M. PRUGGMAYER

S. W. P. WHEWAY

J. N. PUNCH

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 fourteenth Annual General Meeting will be held at Chamber of Commerce House, Ward Street, Walsall, on 2nd May, 1996 at 12 noon 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 28th April, 1995.
3. To receive and adopt the Report and Annual Accounts for the year ended 31st December, 1995.
4. To elect members of the Council. To consider the re-election of the following members:
 - W. Good
 - B. F. Lowe
 - F. Pritchard
 - J. R. C. Sayers
 - J. F. Woolridge.
5. To elect Auditors and fix their remuneration.
6. 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
2nd April, 1996.

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, 1995.

Results

The surplus for the year, after taxation, amounted to £28,006 which has been transferred to reserves.

Review of operations

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.

Future Accounting Periods

At the Council Meeting held on 15th January 1996 it was resolved that the year end be changed to 31st March and the next Accounts will be prepared for a period of 15 months to 31st March 1997.

Directors

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

During the year Mr. F. Pritchard and Mr. J. F. Woolridge were appointed.

The members who retire by rotation are: Messrs W. Good, B. F. Lowe, J. R. C. Sayers.

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. GOTTERILL~~

Secretary

~~Dated 2nd April, 1996.~~

Chamber of Commerce House,
Ward Street,
Walsall.


21/10/96

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

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
1995 and of its surplus for the year then
ended and have been properly prepared in
accordance with the provisions of the
Companies Act 1985.



Dated 2nd April 1996

ARTHUR HASLAM & Co.
Chartered Accountants
Registered Auditors
Walsall.

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

		1995	1994
Note		£	£
2.	INCOME	3,096,542	3,026,154
	Expenses recharged to members	127,677	114,299
		2,968,865	2,911,855
	Operating Expenses	2,989,595	2,864,915
3.	OPERATING (DEFICIT) SURPLUS	(20,730)	46,940
	Rent income	56,282	35,780
	Income from investments	180	73
	Interest receivable	7,938	6,473
	Profit on sale of investments	-	8,400
	SURPLUS FOR YEAR on ordinary activities before taxation	43,670	97,666
6.	TAXATION on ordinary activities	15,664	19,306
	SURPLUS FOR YEAR on ordinary activities after taxation	28,006	78,360
	RETAINED SURPLUS BROUGHT FORWARD	1,274,173	1,195,813
16.	RETAINED SURPLUS CARRIED FORWARD	1,302,179	1,274,173

There were no recognised gains or losses in 1994 or 1995 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.

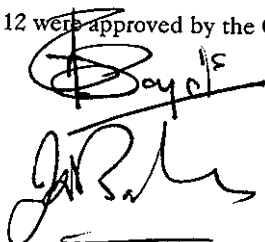
BALANCE SHEET – 31st December 1995

Note	1995		1994	
	£	£	£	£
7.	TANGIBLE FIXED ASSETS	846,274		908,266
8.	INVESTMENTS	13,148		13,148
	CURRENT ASSETS			
9.	DEBTORS: Amounts falling due within one year	928,609	691,079	
	Cash at Bank and in hand	23,630	19,640	
		<u>952,239</u>	<u>710,719</u>	
10.	CREDITORS: Amounts falling due within one year	509,482	357,960	
	NET CURRENT ASSETS	<u>442,757</u>	<u>352,759</u>	
	TOTAL NET ASSETS	<u><u>1,302,179</u></u>	<u><u>1,274,173</u></u>	
	CAPITAL AND RESERVES			
12.	Called up Share Capital	-	-	
	Accumulated surplus	1,302,179	1,274,173	
16.	MEMBERS' FUNDS	<u><u>1,302,179</u></u>	<u><u>1,274,173</u></u>	

The accounts on pages 5 to 12 were approved by the Council on 2nd April 1996.
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 1995

		1995		1994	
Note	£	£	£	£	£
1.	NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES		(172,171)		81,002
	Rent income	56,282		35,780	
	Income from investments	180		73	
	Interest received	7,938		6,473	
		<hr/>		<hr/>	
	NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		64,400		42,326
	TAXATION				
	Corporation Tax (paid) refunded		(19,362)		(16,212)
	INVESTING ACTIVITIES				
	Payments to acquire tangible fixed assets	(76,328)		(108,091)	
	Payments to acquire investments	-		(13,148)	
	Receipts on sale of investments	-		10,900	
	Receipts from sales of tangible fixed assets	41,945		-	
		<hr/>		<hr/>	
	CASH OUTFLOW FROM INVESTING ACTIVITIES		(34,383)		(110,339)
2.	NET CASH (OUTFLOW) INFLOW		<u>(161,516)</u>		<u>(3,223)</u>
	(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		<u>(161,516)</u>		<u>(3,223)</u>

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

CASH FLOW STATEMENT for the year ended 31st December 1995

NOTES TO THE CASH FLOW STATEMENT

Note	1995		1994	
	£	£	£	£
1. RECONCILIATION OF OPERATING SURPLUS (DEFICIT) TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES				
Operating surplus		(20,730)		46,940
Depreciation charges		96,375		85,800
(Increase) in debtors		(237,530)		(141,200)
Increase (Decrease) in creditors		(10,286)		89,462
		(172,171)		81,002
		(172,171)		81,002
2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR				
Balance at 31st December, 1994		19,640		22,863
Net cash inflow (outflow)		(161,516)		(3,223)
		(141,876)		19,640
		(141,876)		19,640
3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET				
	1995	1994	1995 Change in year	1994 Change in year
	£	£	£	£
Cash at bank and in hand	23,630	19,640	3,990	(3,223)
Bank overdraft	(165,506)	-	(165,506)	-
	(141,876)	19,640	(161,516)	(3,223)
	(141,876)	19,640	(161,516)	(3,223)

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

NOTES TO THE ANNUAL ACCOUNTS – 31st December 1995

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:

	<i>Years</i>
Short Leasehold buildings	Over period of lease
Freehold buildings	50 years
Motor vehicles, office equipment and 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 crystallise 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:

	1995	1994
	£	£
Members' subscriptions	231,264	165,510
Charges for services provided	2,865,278	2,860,644
	<u>3,096,542</u>	<u>3,026,154</u>

NOTES TO THE ANNUAL ACCOUNTS – 31st December 1995

		1995	1994
		£	£
Note			
3.	OPERATING SURPLUS		
	This is arrived at after charging:		
	Depreciation	96,375	85,800
	Auditors' remuneration:		
	Audit	2,150	2,150
	Non Audit	1,850	1,850
	Council members' remuneration	110,388	94,732
	 OPERATING LEASE PAYMENTS:		
	Land and buildings	130,400	136,040
	Office equipment	15,832	19,924
		<u> </u>	<u> </u>
4.	STAFF COST		
	Wages and salaries	1,518,708	1,436,261
	Employer's National Insurance contributions	170,766	136,861
	Other pension costs	28,539	20,111
		<u>1,718,013</u>	<u>1,593,233</u>
		No.	No.
	The average number of employees during the year was made up as follows:		
	Office and management	42	36
	Training officers	104	95
		<u>146</u>	<u>131</u>
	Council members' emoluments:		
	President	Nil	Nil
	The number of Council members in the following emolument bands (including pension contributions):		
	£0	16	19
	£30,001–£35,000	–	1
	£35,001–£40,000	1	–
	£55,001–£60,000	–	1
	£70,001–£75,000	1	–
	The highest paid Director's emoluments were £73,069.		
5.	PENSION COSTS:		
	The Chamber operates a funded defined contribution pension scheme.		
	Pension cost charged to profit on ordinary activities	28,539	20,111
	Contributions outstanding included under creditors	–	–
	Prepaid contributions included under debtors	–	–
		<u> </u>	<u> </u>
6.	TAXATION		
	UK Corporation Tax at 25%	16,582	19,306
	Prior year adjustment	918	–
	Amount payable	<u>15,664</u>	<u>19,306</u>

NOTES TO THE ANNUAL ACCOUNTS – 31st December 1995

7. TANGIBLE FIXED ASSETS	Freehold/ Leasehold Land and Buildings £	Motor Vehicles Office Equipment and Furniture £	Total £
COST			
At 1st January, 1995	823,663	526,527	1,350,190
Additions	–	76,328	76,328
Disposals	–	(131,791)	(131,791)
At 31st December, 1995	<u>823,663</u>	<u>471,064</u>	<u>1,294,727</u>
LAND AND BUILDINGS COST COMPRISES:			
Land			34,764
Freehold property			723,907
Short leasehold property			64,992
			<u>823,633</u>
DEPRECIATION			
At 1st January, 1995	129,709	312,215	441,924
Provided for year	26,908	69,467	96,375
On Disposals	–	(89,846)	(89,846)
At 31st December, 1995	<u>156,617</u>	<u>291,836</u>	<u>448,453</u>
NET BOOK VALUE at 31st December, 1995	<u>667,046</u>	<u>179,228</u>	<u>846,274</u>
NET BOOK VALUE at 31st December, 1994	<u>693,954</u>	<u>214,312</u>	<u>908,266</u>
8. INVESTMENTS AT COST			
		1995	1994
		£	£
Quoted investments		13,148	13,148
The investments, government securities and Quoted Ordinary Shares had a market value at the 31st December 1995 of £18,798. (1994 – £17,149).			
9. DEBTORS: Amounts falling due within one year			
Trade		890,567	631,697
Other Debtors		1,882	–
Prepayments and accrued income		36,160	32,889
		<u>928,609</u>	<u>664,586</u>
Engineering Centre current account		–	26,493
		<u>928,609</u>	<u>691,079</u>
10. CREDITORS: Amounts falling due within one year			
Bank Overdraft (Secured)		165,506	–
Trade Creditors		64,464	59,674
Current Corporation Tax		20,416	24,114
Other Taxes and Social Security Costs		109,698	42,052
Accruals		3,183	18,987
Other Creditors		80,594	173,041
Loan Accounts (<i>see Note on page 12</i>)		40,092	40,092
Engineering Centre current account		25,529	–
		<u>509,482</u>	<u>357,960</u>

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

NOTES TO THE ANNUAL ACCOUNTS – 31st December 1995

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 1995 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.

	1995	1994
	£	£
11. DEFERRED TAXATION		
This comprises the following:		
Capital allowances in advance of depreciation	(1,771)	(4,299)
Capital gain arising on disposal of freehold property	1,771	4,299
	<u> </u>	<u> </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	11,275	9,250
Expiry between one and five years	80,250	33,525
Expiry over five years	42,731	71,450
	<u>134,256</u>	<u>114,225</u>
Office Equipment:		
Expiry within one year	1,375	1,128
Expiry between one and five years	14,065	18,820
	<u>15,440</u>	<u>19,948</u>
14. CAPITAL COMMITMENTS		
There were no capital commitments in 1994 and 1995.		
15. CONTINGENT LIABILITY		
The company has guaranteed any indebtedness to Midland Bank plc by Walsall Chamber of Commerce Engineering Centre Limited. At 31st December, 1995 there was no such indebtedness (1994: £Nil)		
16. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS		
Surplus for the financial year	28,006	78,360
Opening Members' Funds	1,274,173	1,195,813
Closing Members' Funds	<u>1,302,179</u>	<u>1,274,173</u>
17. POST BALANCE SHEET EVENT		
From 1st April 1996, due to a change in the voting rights appertaining to the shares of Business Link Walsall, EMCCI will have control of that company which thus becomes a subsidiary of the Chamber. No consideration was involved and the maximum liability on dissolution is £1.		