

COMPANIES HOUSE COPY

EMCCI (Limited by Guarantee)

Financial statements

31 July 2010

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COMPANIES HOUSE

BDO

EMCCI (Limited by Guarantee)

Financial statements for the year ended 31 July 2010

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Registered number

36148

Registered office

16 Broadway North, Walsall, West Midlands, WS1 2AN

Auditors

BDO LLP, Chartered Accountants, 125 Colmore Row, Birmingham, B3 3SD

Bankers

HSBC Bank plc, The Bridge, Walsall, WS1 1LN

Solicitors

Hadens, Leicester Buildings, Bridge Street, Walsall, West Midlands, WS1 1EL

EMCCI (Limited by Guarantee)

Report of the directors for the year ended 31 July 2010

The directors submit their report and financial statements for the year ended 31 July 2010

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Council are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which 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 year. In preparing these financial statements, the Council are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- 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 show and explain the company's transactions, 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.

Results

The surplus for the year, after taxation, amounted to £17,893 which has been added to reserves.

Review of operations

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

Share capital

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

Directors

The members and directors of the company are

J D Baker
B F Lowe
J Murray
J N Punch

EMCCI (Limited by Guarantee)

Report of the Council for the year ended 31 July 2010 (Continued)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this director's report advantage has been taken of the small companies exemption.

On behalf of the directors



J D BAKER

Secretary

Date 7 April 2011

EMCCI (Limited by Guarantee)

Independent auditors' report To the members of EMCCI (Limited by Guarantee)

We have audited the financial statements of EMCCI (Limited by Guarantee) for the year ended 31 July 2010 which comprise the income and expenditure account, the balance sheet and the related notes. 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).

The 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 auditor's 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 statement of director's responsibilities, 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 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 (APB'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 council, and the overall presentation of the financial statements.

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 2010 and of its surplus 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 is £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 reflect the current market value given the existence of the lease agreement.

EMCCI (Limited by Guarantee)

Independent auditors' report To the members of EMCCI (Limited by Guarantee) (*Continued*)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements

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 director's remuneration specified by law are not made,
- 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 and the directors' report in accordance with the small companies' regime

BDO LLP

Stephen Ward (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham
United Kingdom

8 April 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

EMCCI (Limited by Guarantee)

Income and expenditure account year ended 31 July 2010

	Note	2010 £	2009 £
Income	2	20,000	18,667
Operating expenses		(18,914)	(6,759)
Other operating income		10,000	-
Operating surplus	3	11,086	11,908
Income from fixed asset investments		15,000	-
Interest receivable		16	1,042
Interest payable		(5,498)	-
Surplus on ordinary activities before taxation		20,604	12,950
Taxation on surplus on ordinary activities	4	(2,711)	(2,910)
Surplus on ordinary activities after taxation		17,893	10,040
Retained surplus brought forward		292,032	281,992
Retained surplus carried forward		309,925	292,032

All amounts relate to continuing activities

Statement of total recognised gains and losses	2010	2009
	£	£
Surplus for the financial year	17,893	10,040
Unrealised deficit on revaluation of investment property	(25,000)	-
Total gains and losses recognised since last annual report	(7,107)	10,040

The notes on pages 9 to 13 form part of these financial statements

EMCCI (Limited by Guarantee)


Balance sheet
31 July 2010

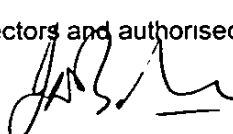
Company number 36148

	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Tangible fixed assets	5	625,000		650,000	
Unlisted investments	6	375,000		-	
			1,000,000		650,000
Current assets					
Debtors – amounts falling due within one year	7	21,083		20,663	
Cash and bank		28,380		140,520	
		49,463		161,183	
Creditors – amounts falling due within one year	8	(212,036)		(231,650)	
Net current (liabilities)			(162,573)		(70,467)
Total assets less current liabilities			837,427		579,533
Creditors – amounts falling due after more than one year	9		(265,001)		-
Net assets			572,426		579,533
Capital and reserves					
Revaluation reserve	12		262,501		287,501
Accumulated surplus			309,925		292,032
Members' funds	11		572,426		579,533

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved by the directors and authorised for issue on 7 April 2011


B F LOWE
Chairman


J D BAKER
Director

The notes on pages 9 to 13 form part of these financial statements

EMCCI (Limited by Guarantee)

Notes to the financial statements year ended 31 July 2010

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with applicable accounting standards

Consolidated financial statements

The company is exempt from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small group, and accordingly the financial statements present information about the company as an individual undertaking and not about its group

Investment properties

In accordance with SSAP 19 'Accounting for investment properties' investment properties are revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 2006 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the income and expenditure account.

Investments

Fixed asset investments are stated at cost less any provision for impairment.

Leases

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

Where assets are leased to a third party but do not give rights approximating to ownership, the leases are treated as operating leases. Their annual rentals are credited to the profit and loss account on a straight line basis over the term of the lease.

Grants received

Grants of a revenue nature are credited to the income and expenditure account in the period to which they relate.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future and accordingly they continue to adopt the going concern basis in preparing these financial statements.

2 Income

Turnover arises solely within the United Kingdom and is wholly attributable to the principal activity of the company.

EMCCI (Limited by Guarantee)

Notes to the financial statements year ended 31 July 2010 (*continued*)

3	Operating surplus	2010	2009
		£	£
	This is arrived at after charging		
	Auditors' remuneration	1,800	1,700
		<hr/>	<hr/>
4	Taxation on surplus on ordinary activities	2010	2009
		£	£
	UK corporation tax		
	Corporation tax charge for period	2,711	2,910
		<hr/>	<hr/>
	Taxation on profit on ordinary activities	2,711	2,910
		<hr/>	<hr/>
	The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below		
	Profit on ordinary activities at the standard rate of corporation tax in the UK of 21% (2009 – 21%)	4,327	2,720
	Effect of		
	Expenses not deducted for tax purposes	1,534	190
	Non-taxable income	(3,150)	-
		<hr/>	<hr/>
	Current tax charge for period	2,711	2,910
		<hr/>	<hr/>
5	Tangible fixed assets		Investment property
			£
	Cost or valuation		
	At 1 August 2009		650,000
	Revaluation		(25,000)
			<hr/>
	At 31 July 2010		625,000
			<hr/>
	Net book value		
	At 31 July 2010		625,000
			<hr/>
	At 31 July 2009		650,000
			<hr/>

EMCCI (Limited by Guarantee)

Notes to the financial statements year ended 31 July 2010 (continued)

5 Tangible fixed assets (continued)

The company's freehold investment land and buildings at Ward Street were subject to a full valuation as at 6 January 2010 by Silk Plant Associates, independent valuers, at market value. The amount of the valuation of £625,000 has been incorporated in the financial statements as at 31 July 2010.

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 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. They have therefore elected to include the property in the financial statements at a value of £625,000.

The historical cost of the investment property is £362,500.

6 Unlisted investments

£

Investment in subsidiary undertakings at cost

At 1 August 2009

-

Additions

375,000

At 31 July 2010

375,000

On 4 February 2010 the Company acquired 500 Ordinary 'A' shares and 500 Ordinary 'B' shares being the entire issued share capital of Chamber Member Services Limited. Chamber Member Services Limited owns 100% of the ordinary shares of PTP Training Limited. PTP Training Limited owns 100% of the ordinary shares of J & N Properties Services Limited.

On 15 February 2010 the company acquired 300,000 preference shares being the entire issued preference share capital of PTP Training Limited.

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

The principal activity of Chamber Member Services Limited is that of a holding company. At 31 July 2010 the aggregate capital and reserves of Chamber Member Services Limited was £1,000 and its profit for the year to that date was £300,000.

The principal activity of PTP Training Limited is the provision of training. At 31 July 2010 the aggregate capital and reserves of PTP Training Limited was £608,693 and its profit for the year to that date was £181,854.

The principal activity of J & N Properties Limited is the letting of its own property. At 31 July 2010 the aggregate capital and reserves was £95,329 and its profit for the year to that date was £29,856.

The principal activity of British Business Parks is regeneration and business support services activity across the West Midlands. At 31 March 2010 the aggregate capital and reserves was £58 and its deficit for the year was £672.

EMCCI (Limited by Guarantee)

Notes to the financial statements year ended 31 July 2010 (*continued*)

7 Debtors	2010	2009
	£	£
Amounts falling due within one year		
Trade debtors	-	-
Other debtors	21,083	20,663
	<u>21,083</u>	<u>20,663</u>
 8 Creditors – amounts falling due within one year	 2010	 2009
	£	£
Trade creditors	-	-
Bank loan (secured – see note 9)	25,306	-
Other loan	176,700	219,700
Accruals and deferred income	6,994	8,715
Corporation tax	2,711	2,910
Amount owed to PTP Training Limited	325	325
	<u>212,036</u>	<u>231,650</u>
 9 Creditors – amounts falling due after more than one year	 2010	 2009
	£	£
Bank loan (secured – see below)	265,001	-

The bank loan of £300,000, which was drawn down in February 2010, is repayable by 120 equal instalments commencing in March 2010. The above amount includes £153,038 due after five years. Interest is charged at 3.5% above HSBC base rate. The loan is secured by a mortgage over the company's investment property.

10 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.

EMCCI (Limited by Guarantee)

Notes to the financial statements year ended 31 July 2010 (*continued*)

11 Reconciliation of movements in members' funds	2010	2009
	£	£
Surplus for the year	17,893	10,040
Revaluation in year	(25,000)	-
Opening members' funds	579,533	569,493
	<hr/>	<hr/>
Closing members' funds	572,476	579,533
	<hr/>	<hr/>
 12 Revaluation reserve	 2010	 2009
	£	£
At 1 August 2009	287,501	287,501
Revaluation deficit	(25,000)	-
	<hr/>	<hr/>
At 31 July 2010	262,501	287,501
	<hr/>	<hr/>

13 Related party transactions

The following transactions have taken place

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 2010 the company made repayments amounting to £43,000 and the balance at the year end was £176,700 (2009 - £219,700). This is included in creditors note 8 to the financial statements.

From 1 January 2008, Black Country Chamber of Commerce & Industry, a company of which John Murray was a director until April 2010, have been renting part of the property on Ward Street from EMCCI for a fee of £1 per annum.

14 Controlling party

There is no single ultimate controlling party.