



**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2005

Dafferns

Chartered Accountants & Business Advisers



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COMPANIES HOUSE 12/12/2005

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 March 2005**

| | Page |
|--|-------------|
| Company Information | 1 |
| Report of the Directors | 2 |
| Report of the Independent Auditors | 4 |
| Profit and Loss Account | 5 |
| Balance Sheet | 6 |
| Notes to the Financial Statements | 7 |
| Trading and Profit and Loss Account | 12 |

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**COMPANY INFORMATION
for the year ended 31 March 2005**

DIRECTORS:

Miss S.A. Lucas
M.L. Harwood
Mrs L. Beard
J.M.J Atkins

SECRETARY:

M.A. Sykes

REGISTERED OFFICE:

Commerce House
123 St. Nicholas Street
Coventry
CV1 4FD

REGISTERED NUMBER:

1991724 (England and Wales)

AUDITORS:

Dafferns
Chartered Accountants
Registered Auditors
Queens House
Queens Road
Coventry
CV1 3DR

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**REPORT OF THE DIRECTORS
for the year ended 31 March 2005**

The directors present their report with the financial statements of the company for the year ended 31 March 2005.

PRINCIPAL ACTIVITY

The principal activity of the company is the provision of training.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

During the course of 2004, Coventry & Warwickshire Chambers of Commerce Training Limited has demonstrated consistently good performance against all contract areas, with additional business secured across the wider region of the West Midlands. We have provided a comprehensive range of programmes and courses across all 'core' business disciplines plus some selected specialisms, with skills levels from basic through to middle management.

Coventry & Warwickshire Chambers of Commerce Training Limited continues to be a valued partner in training with employers, learners and government support agencies alike. A strategic review has been undertaken to direct business growth and build upon existing strengths. The resulting vision is to be the first choice training provider in the sub region for small and medium sized organisations.

Our goal is to be seen as innovative, engaging and effective in our training delivery by applying the best practices of learning. Future investment will support this vision.

DIVIDENDS

An interim dividend of £120,000 has been paid. The directors recommend that no final dividend be paid.

DIRECTORS

The directors during the year under review were:

Miss S.A. Lucas
M.L. Harwood
Mrs L. Beard
J.M.J Atkins

- appointed 26.4.04

The directors holding office at 31 March 2005 did not hold any beneficial interest in the issued share capital of the company at 1 April 2004 (or date of appointment if later) or 31 March 2005.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 proper accounting records which 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.

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**REPORT OF THE DIRECTORS
for the year ended 31 March 2005**

AUDITORS

The auditors, Dafferns, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in dark ink, appearing to read 'M.A. Sykes', is written over the printed name.

M.A. Sykes - Secretary

27 July 2005

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

We have audited the financial statements of Coventry and Warwickshire Chambers of Commerce Training Limited for the year ended 31 March 2005 on pages five to eleven. These financial statements have been prepared under the historical cost convention and 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

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read the Report of the Directors 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 United Kingdom 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 directors 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 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. 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 31 March 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Dafferns
Chartered Accountants
Registered Auditors
Queens House
Queens Road
Coventry
CV1 3DR



27 July 2005

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2005**

| | Notes | 2005 £ | 2004 £ |
|--|-------|-----------|-----------|
| TURNOVER | | 2,327,453 | 2,013,704 |
| Cost of sales | | 1,612,078 | 1,261,162 |
| GROSS PROFIT | | 715,375 | 752,542 |
| Administrative expenses | | 584,663 | 589,950 |
| OPERATING PROFIT | 3 | 130,712 | 162,592 |
| Interest receivable and similar income | 4 | 20,680 | 13,883 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 151,392 | 176,475 |
| Tax on profit on ordinary activities | 5 | 28,981 | 34,381 |
| PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION | | 122,411 | 142,094 |
| Dividends | 6 | 120,000 | 142,000 |
| RETAINED PROFIT FOR THE YEAR | | 2,411 | 94 |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**BALANCE SHEET
31 March 2005**

| | Notes | 2005 £ | 2004 £ |
|--|-------|-----------------------|-----------------------|
| FIXED ASSETS | | | |
| Tangible assets | 7 | 104,996 | 117,200 |
| CURRENT ASSETS | | | |
| Debtors | 8 | 457,859 | 502,712 |
| Cash at bank | | 558,058 | 464,802 |
| | | <u>1,015,917</u> | <u>967,514</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 9 | <u>620,082</u> | <u>586,294</u> |
| NET CURRENT ASSETS | | <u>395,835</u> | <u>381,220</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u><u>500,831</u></u> | <u><u>498,420</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 200,000 | 200,000 |
| Profit and loss account | 12 | 300,831 | 298,420 |
| SHAREHOLDERS' FUNDS | 15 | <u><u>500,831</u></u> | <u><u>498,420</u></u> |

ON BEHALF OF THE BOARD:



M.L. Harwood - Director

Approved by the Board on 27 July 2005

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2005**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards.

Turnover

Income for administering training activities is recognised on the basis of training courses and work placements attended by trainees, and outcomes and starts achieved by trainees.

Income from other activities is recognised on the basis of goods and services provided during the period.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|---|
| Fixtures and fittings | - 33.33% straight line and 10% straight line |
| Motor vehicles | - 25% straight line |

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

| | 2005 £ | 2004 £ |
|-----------------------|------------------|----------------|
| Wages and salaries | 928,404 | 767,454 |
| Social security costs | 88,567 | 72,023 |
| Other pension costs | 30,834 | 19,723 |
| | <u>1,047,805</u> | <u>859,200</u> |

The average monthly number of employees during the year was as follows:

| | 2005 | 2004 |
|-------------------------------|-----------|-----------|
| Administration and management | 12 | 12 |
| Training activities | 44 | 38 |
| | <u>56</u> | <u>50</u> |

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2005**

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

| | 2005 | 2004 |
|--|---------------|---------------|
| | £ | £ |
| Hire of plant and machinery | 6,253 | 7,010 |
| Depreciation - owned assets | 34,599 | 31,143 |
| (Profit)/Loss on disposal of fixed assets | (340) | 2,192 |
| Auditors remuneration | 3,500 | 3,400 |
| Operating lease charges - vehicles | 3,404 | 3,404 |
| Rent receivable | - | (4,060) |
| | <u>58,739</u> | <u>52,892</u> |
| Directors' emoluments | 58,739 | 52,892 |
| Directors' pension contributions to money purchase schemes | 4,980 | 3,557 |
| | <u>63,719</u> | <u>56,449</u> |

The number of directors to whom retirement benefits were accruing was as follows:

| | | |
|------------------------|----------|----------|
| Money purchase schemes | <u>1</u> | <u>1</u> |
|------------------------|----------|----------|

4. INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2005 | 2004 |
|--------------------------|---------------|---------------|
| | £ | £ |
| Bank interest receivable | <u>20,680</u> | <u>13,883</u> |

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

| | 2005 | 2004 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | 28,981 | 34,381 |
| Tax on profit on ordinary activities | <u>28,981</u> | <u>34,381</u> |

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2005**

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

| | 2005 £ | 2004 £ |
|--|----------------|----------------|
| Profit on ordinary activities before tax | <u>151,392</u> | <u>176,475</u> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.230% (2004 - 20.450%) | 29,113 | 36,089 |
| Effects of: | | |
| Disallowed expenditure | 152 | 114 |
| Capital allowances in excess of depreciation | (265) | (1,903) |
| Prior year adjustment | (19) | 81 |
| Current tax charge | <u>28,981</u> | <u>34,381</u> |

6. DIVIDENDS

| | 2005 £ | 2004 £ |
|---------------------------|----------------|----------------|
| Equity shares: Interim | <u>120,000</u> | <u>142,000</u> |

7. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|------------------------|----------------------------------|------------------------|----------------|
| COST | | | |
| At 1 April 2004 | 273,864 | 9,007 | 282,871 |
| Additions | 22,395 | - | 22,395 |
| Disposals | (11,363) | - | (11,363) |
| At 31 March 2005 | <u>284,896</u> | <u>9,007</u> | <u>293,903</u> |
| DEPRECIATION | | | |
| At 1 April 2004 | 161,168 | 4,503 | 165,671 |
| Charge for year | 32,347 | 2,252 | 34,599 |
| Eliminated on disposal | (11,363) | - | (11,363) |
| At 31 March 2005 | <u>182,152</u> | <u>6,755</u> | <u>188,907</u> |
| NET BOOK VALUE | | | |
| At 31 March 2005 | <u>102,744</u> | <u>2,252</u> | <u>104,996</u> |
| At 31 March 2004 | <u>112,696</u> | <u>4,504</u> | <u>117,200</u> |

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2005**

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2005 | 2004 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 114,002 | 250,178 |
| Amounts owed by group undertakings | 306,584 | 231,661 |
| Other debtors | - | 170 |
| Value Added Tax | 11,362 | 11,315 |
| Prepayments and accrued income | 25,911 | 9,388 |
| | <u>457,859</u> | <u>502,712</u> |

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2005 | 2004 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 432,536 | 361,079 |
| Corporation tax | 29,000 | 34,300 |
| Social security and other taxes | 26,724 | 24,311 |
| Other creditors | 13,377 | - |
| Accruals and deferred income | 118,445 | 166,604 |
| | <u>620,082</u> | <u>586,294</u> |

10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

| | 2005 | 2004 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Expiring: | | |
| Between one and five years | <u>8,012</u> | <u>7,769</u> |

11. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2005 | 2004 |
|---------|-----------------|----------------|----------------|----------------|
| | | | £ | £ |
| 200,000 | Ordinary shares | £1 | <u>200,000</u> | <u>200,000</u> |

12. RESERVES

| | Profit and loss account |
|------------------------------|-------------------------|
| | £ |
| At 1 April 2004 | 298,420 |
| Retained profit for the year | <u>2,411</u> |
| At 31 March 2005 | <u>300,831</u> |

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2005**

13. ULTIMATE PARENT COMPANY

Throughout the year the company was a wholly owned subsidiary of Coventry & Warwickshire Chamber of Commerce (Limited by Guarantee).

14. RELATED PARTY DISCLOSURES

Transactions with the company and its holding company have not been disclosed as the company is a wholly owned subsidiary and is included within the consolidated accounts of the group.

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2005 £ | 2004 £ |
|--|---------------------------|---------------------------|
| Profit for the financial year | 122,411 | 142,094 |
| Dividends | (120,000) | (142,000) |
| Net addition to shareholders' funds | <u>2,411</u> | <u>94</u> |
| Opening shareholders' funds | <u>498,420</u> | <u>498,326</u> |
| Closing shareholders' funds | <u><u>500,831</u></u> | <u><u>498,420</u></u> |
| Equity interests | <u><u>500,831</u></u> | <u><u>498,420</u></u> |

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**TRADING AND PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2005**

| | 2005 | | 2004 | |
|----------------------------------|---------|------------------|---------|------------------|
| | £ | £ | £ | £ |
| Sales | | 2,327,453 | | 2,013,704 |
| Cost of sales | | | | |
| Purchases | 737,190 | | 558,270 | |
| Wages | 773,410 | | 626,498 | |
| Social security | 75,624 | | 60,228 | |
| Pensions | 25,854 | | 16,166 | |
| | | <u>1,612,078</u> | | <u>1,261,162</u> |
| GROSS PROFIT | | 715,375 | | 752,542 |
| Other income | | | | |
| Bank interest receivable | | <u>20,680</u> | | <u>13,883</u> |
| | | 736,055 | | 766,425 |
| Expenditure | | | | |
| Wages | 101,394 | | 92,788 | |
| Social security | 6,766 | | 6,168 | |
| Rates and water | 116,492 | | 115,597 | |
| Insurance | 9,040 | | 12,841 | |
| Administration charge | 45,000 | | 80,000 | |
| Security costs | 9,532 | | 11,709 | |
| Cleaning | 21,479 | | 20,565 | |
| Rent receivable | - | | (4,060) | |
| Directors' salaries | 53,600 | | 48,168 | |
| Directors' social security | 6,177 | | 5,627 | |
| Directors' pension contributions | 4,980 | | 3,557 | |
| Hire of equipment | 6,253 | | 7,010 | |
| Telephone | 19,440 | | 21,050 | |
| Post and stationery | 44,483 | | 37,720 | |
| Motor expenses | 7,598 | | 8,166 | |
| Staff training and recruitment | 16,303 | | 9,326 | |
| Staff welfare | 11,485 | | 11,665 | |
| Repairs and renewals | 14,875 | | 7,935 | |
| Computer running costs | 21,349 | | 18,332 | |
| Sundry expenses | 2,671 | | 2,736 | |
| Legal and professional fees | 6,647 | | 10,392 | |
| Auditors remuneration | 3,500 | | 3,400 | |
| Advertising | 20,149 | | 16,723 | |
| Bad debts | 1,106 | | 9,140 | |
| | | <u>550,319</u> | | <u>556,555</u> |
| | | 185,736 | | 209,870 |
| Finance costs | | | | |
| Bank charges | | <u>85</u> | | <u>60</u> |
| | | 185,651 | | 209,810 |
| Depreciation | | | | |
| Fixtures and fittings | | <u>34,599</u> | | <u>31,143</u> |
| Carried forward | | 151,052 | | 178,667 |

This page does not form part of the statutory financial statements

**COVENTRY AND WARWICKSHIRE CHAMBERS OF
COMMERCE TRAINING LIMITED**

**TRADING AND PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2005**

| | 2005 | 2004 |
|--|----------------|----------------|
| | £ | £ |
| Brought forward | 151,052 | 178,667 |
| Profit/(Loss) on disposal of fixed assets | | |
| Fixtures and fittings | 340 | (2,192) |
| NET PROFIT | <u>151,392</u> | <u>176,475</u> |