

**Company Registration No. 465975 (England and Wales)**

**NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2007**

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## COMPANY INFORMATION

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<b>Directors</b>	Refer to separate page for names of directors, council members and honorary officers
<b>Secretary</b>	Jane Cook
<b>Company number</b>	465975
<b>Registered office</b>	Commerce House Festival Park Etruria Stoke-on-Trent Staffordshire ST1 5BE
<b>Auditors</b>	Geens 68 Liverpool Road Stoke-on-Trent Staffordshire ST4 1BG

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# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

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# **NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2007**

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The Directors present their report and financial statements for the year ended 31 March 2007. Fuller information on the activities of the Chamber during 2006/2007 are contained in the Annual Review which is published separately.

### **Principal activities**

The principal activities of the Chamber continued to be :

representation of members' views on industrial, commercial and economic issues  
promotion of enterprise and support of new business creation  
providing services to members, including:  
-export promotion and documentation  
-translations  
-management of various projects  
-management and business training  
-various discounted services and networking opportunities

The activities of the Chamber during the year were little changed from the previous years. The Chamber continues to encourage business expansion through Business Initiative and Stafford Enterprise, enterprise agencies which are also sections of the Chamber.

The future objectives of the Chamber are continuing provision of similar services and facilities, and the creation of new opportunities to ensure the prosperity of the area. In this endeavour, the Chamber maintains its recognition as an 'Accredited Chamber of Commerce' in line with the British Chambers of Commerce's national development strategy. We are also pleased to uphold the standards of the Investors in People award.

The Chamber plays a key role in local regeneration initiatives. It has an interest in InStaffs(UK) Ltd, a company formed to promote inward investment into Staffordshire. It is also involved in Local Strategic Partnerships throughout the North Staffordshire sub-region.

The Chamber is involved in collaborative activities with Southern Staffordshire Chamber of Commerce. This includes the publication of a county-wide business magazine and a directory of Staffordshire businesses. The two chambers have formalised this co-operation through a joint venture company which provides a vehicle for future county-wide initiatives.

### **Directors**

The names of Directors holding office during the year are listed separately along with the names of the Honorary Officers and council members.

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

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### Directors' interests

The North Staffordshire Chamber of Commerce and Industry is a company limited by guarantee. Every member of the Chamber undertakes to meet the liabilities of the Chamber to an amount not exceeding £2 per member. Therefore, no Director has any material interest in the Chamber.

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Geens be reappointed as auditors of the company will be put to the Annual General Meeting.

### Statement of Directors' responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable law and 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 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 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.

The Directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Statement of disclosure to auditor

(a) so far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any 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 of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

D J Carr OBE DL

**Director**

28 June 2007

# **NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY**

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We have audited the financial statements of North Staffordshire Chamber of Commerce & Industry which comprise balance sheet, income and expenditure account, and related notes for the year ended 31 March 2007. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

This report is made solely to the Chamber'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 Chamber'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 Chamber's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the Directors and auditors**

As described in the Statement of Directors Responsibilities on page 2 the company's Directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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, and whether in our opinion the information given in the Directors' report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' report 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 Chamber'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.

# **NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY**

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#### **Opinion**

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2007 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

**Geens**

28 June 2007

Chartered Accountants

**Registered Auditor**

68 Liverpool Road  
Stoke-on-Trent  
Staffordshire  
ST4 1BG

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

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		<b>2007</b>	<b>2006</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Income</b>		2,057,277	1,648,301
Administrative expenses		(2,141,436)	(1,739,897)
Other operating income		65,573	27,987
		<hr/>	<hr/>
<b>Operating deficit</b>	<b>2</b>	(18,586)	(63,609)
Other interest receivable and similar income		9,340	9,704
Interest payable and similar charges		(3,737)	(16,813)
		<hr/>	<hr/>
<b>Deficit on ordinary activities before taxation</b>		(12,983)	(70,718)
Tax on deficit on ordinary activities	<b>3</b>	(4,815)	-
		<hr/>	<hr/>
<b>Deficit on ordinary activities after taxation</b>	<b>11</b>	(17,798)	(70,718)
		<hr/> <hr/>	<hr/> <hr/>

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## BALANCE SHEET AS AT 31 MARCH 2007

	Notes	2007		2006	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		1,333,845		1,357,318
Investments	5		1,000		1,000
			<u>1,334,845</u>		<u>1,358,318</u>
<b>Current assets</b>					
Stocks		588		587	
Debtors	6	485,028		310,402	
Cash at bank and in hand		318,356		329,253	
		<u>803,972</u>		<u>640,242</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(476,976)</u>		<u>(369,255)</u>	
<b>Net current assets</b>			<u>326,996</u>		<u>270,987</u>
<b>Total assets less current liabilities</b>			<u>1,661,841</u>		<u>1,629,305</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(100,558)		(46,071)
<b>Accruals and deferred income</b>	9		(342,270)		(346,423)
			<u>1,219,013</u>		<u>1,236,811</u>
<b>Capital and reserves</b>					
Revaluation reserve	11		416,606		425,735
Other reserves	11		236,212		236,212
General reserve	11		566,195		574,864
			<u>1,219,013</u>		<u>1,236,811</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Approved by the Board for issue on 28 June 2007

D J Carr OBE DL  
Director

B C Carnes  
Director

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

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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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005). The financial statements include the results and net assets of the Chamber and its enterprise agencies, Business Initiative and Stafford Enterprise.

#### 1.2 Income

Income represents amounts receivable for annual subscriptions and charges for services provided and is stated net of VAT and trade discounts.

Funds receivable in respect of specific projects are treated as deferred income and released to the income and expenditure account so as to match the expenditure incurred on the particular project with the income received. The Chamber is able to claim a management charge in order to operate the projects. This is released to the income and expenditure account on an annual basis.

Deferred project income is included in the balance sheet in 'Other creditors'.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	Over 60 years
Leasehold land	Land is not depreciated
Fixtures, fittings & equipment	between 3 and 7 years

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

#### 1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.5 Investments

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

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with applicable accounting standards.

#### 1.8 Government grants

Government grants receivable in respect of capital expenditure are treated as deferred income and released to the income and expenditure account so as to match the depreciation charged on the fixed assets purchased with the grant. Deferred grant income in the balance sheet represents total grants received less amounts credited to income and expenditure account.

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

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### 1 Accounting policies (continued)

#### 1.9 Group accounts

The financial statements present information about the Chamber as an individual undertaking and not about its group. The Chamber and its subsidiary undertakings comprise a small-sized group. The Chamber has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Operating loss	2007	2006
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	36,492	39,072
Operating lease rentals		
- Office equipment	7,547	8,073
Auditors' remuneration	8,000	8,000
Directors' emoluments	72,558	69,839
and after crediting:		
Grants released	6,308	10,294
	<u>6,308</u>	<u>10,294</u>

The number of Directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2006 : 1).

3 Taxation	2007	2006
	£	£
<b>Domestic current year tax</b>		
U.K. corporation tax	4,815	-
	<u>4,815</u>	<u>-</u>
<b>Current tax charge</b>	<u>4,815</u>	<u>-</u>

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

### 4 Tangible fixed assets

	Land and buildings	Office furniture & equipment	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2006	1,520,532	95,808	1,616,340
Additions	4,624	9,731	14,355
	<hr/>	<hr/>	<hr/>
At 31 March 2007	1,525,156	105,539	1,630,695
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 April 2006	177,268	81,754	259,022
Charge for the year	26,891	10,937	37,828
	<hr/>	<hr/>	<hr/>
At 31 March 2007	204,159	92,691	296,850
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2007	1,320,997	12,848	1,333,845
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2006	1,343,264	14,054	1,357,318
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The freehold and leasehold land and buildings were valued on an open market basis by a firm of independent Chartered Surveyors during the year ended 31 March 2006. The Directors consider that there has been no change to the value of the properties in the year.

If these properties were sold for their revalued amounts it would be necessary to replace them with similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation.

#### Comparable historical cost for the land and buildings included at valuation:

	£
<b>Cost</b>	
At 1 April 2006	1,077,769
Additions	4,624
	<hr/>
At 31 March 2007	1,082,393
	<hr/>
<b>Depreciation based on cost</b>	
At 1 April 2006	160,241
Charge for the year	17,762
	<hr/>
At 31 March 2007	178,003
	<hr/>
<b>Net book value</b>	
At 31 March 2007	904,390
	<hr/> <hr/>
At 31 March 2006	917,528
	<hr/> <hr/>

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

### 5 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 April 2006 & at 31 March 2007	1,000
<b>Net book value</b>	
At 31 March 2007	1,000
At 31 March 2006	1,000

6 Debtors	2007 £	2006 £
Trade debtors	289,540	191,591
Other debtors	195,488	118,811
	<u>485,028</u>	<u>310,402</u>

Debtors include an amount of £5,237 (2006 - £5,237) which is due after more than one year.

7 Creditors: amounts falling due within one year	2007 £	2006 £
Bank loans and overdrafts	43,659	41,166
Trade creditors	156,529	106,060
Taxation and social security	50,074	62,824
Other creditors	226,714	159,205
	<u>476,976</u>	<u>369,255</u>

The bank loan is secured by way of a fixed charge over Commerce House.

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

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8 Creditors: amounts falling due after more than one year	2007	2006
	£	£
Bank loans	42,058	46,071
Other creditors	58,500	-
	<u>100,558</u>	<u>46,071</u>

### Analysis of loans

Wholly repayable within five years	121,018	72,583
Included in current liabilities	(20,460)	(26,512)
	<u>100,558</u>	<u>46,071</u>

## 9 Accruals and deferred income

	Government grants £
Balance at 1 April 2006	348,578
Amortisation in the year	(6,308)
	<u>342,270</u>

Accruals and deferred income relate to grants received to assist in the acquisitions of premises.

## 10 Pension costs

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. The pension cost charge represents contributions payable by the company to the fund. There are no amounts outstanding at the year end.

### Defined contribution

	2007	2006
	£	£
Contributions payable by the company for the year	<u>7,920</u>	<u>7,912</u>

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

### 11 Statement of movements on reserves

	Revaluation reserve £	Other reserves (see below) £	General reserve £
Balance at 1 April 2006	425,735	236,212	574,864
Retained loss for the year	-	-	(17,798)
Transfer from revaluation reserve to profit and loss account	(9,129)	-	9,129
Balance at 31 March 2007	<u>416,606</u>	<u>236,212</u>	<u>566,195</u>

#### Other reserves

##### Business Initiative development reserve

Balance at 1 April 2006 & at 31 March 2007

38,400

##### Other reserve

Balance at 1 April 2006 & at 31 March 2007

2,637

##### Building contributions reserve

Balance at 1 April 2006 & at 31 March 2007

195,175

Building contributions reserve is in respect of capital contributions received towards the cost of the Chamber's office property.

### 12 Contingent liabilities

On 7 July 2005 the Chamber received a grant of £245,000 on behalf of its enterprise agency, Business Initiative, for the purpose of acquiring a premises. The terms of the grant are such that, for a period of 25 years, the grant would be repayable to the grant provider if certain conditions are not met. A legal charge over premises at Campbell Road exists. Default on the terms of the grant is considered unlikely in the foreseeable future.

### 13 Financial commitments

At 31 March 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2008:

	2007 £	2006 £
Operating leases which expire:		
Within one year	-	2,520
Between two and five years	7,850	5,133
	<u>7,850</u>	<u>7,653</u>

# NORTH STAFFORDSHIRE CHAMBER OF COMMERCE & INDUSTRY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

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<b>14 Capital commitments</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
At 31 March 2007 the company had capital commitments as follows:		
Authorised but not contracted for	57,270	-
	<hr/>	<hr/>
	<u>57,270</u>	<u>-</u>

### 15 Related party transactions

The Chamber is limited by guarantee and under the control of its individual subscription paying members. The Chamber provides services to entities which could be under the control of Directors of the Chamber. However, the board of Directors considers that disclosure of such transactions would not influence decisions made by users of the accounts. Therefore, in accordance with Financial Reporting Standard No 8, such transactions are considered immaterial.

The Chamber has 50% ownership and control in Staffordshire Chamber Services Limited. Income for management services and rent of office space during the year amounted to £35,424: ( 2006:£35,400) and is included in Export services. There were no outstanding balances at the year end. The investment of £1,000 is shown on the balance sheet.

The Chamber has a 50% ownership and control in Stoke on Trent Community Partnership Railway Enterprise Centre Limited. Income for management services receivable during the year amounted to £nil (2006:£30,000) and is included in 'Other debtors'.

The Chamber has a wholly owned subsidiary, The Staffordshire Enterprise Consortium Limited. Income received in respect of training amounted to £273,188 (2006:£342,645). The amount due to the Chamber at the end of the year amounted to £46,848 (2006:£31,949).