

---

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
(Limited by Guarantee)

---

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED**  
**31 MARCH 2004**

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
**(Limited by Guarantee)**

---

**COMPANY INFORMATION**

---

<b>DIRECTORS</b>	Roger Lawrence (appointed 10/10/03 & resigned 19/01/04) Claude Bodenham (appointed 10/10/03 & resigned 28/07/04) Sir Albert Bore (appointed 10/10/03) Les Kyles (appointed 10/10/03) Rex Roberts (appointed 10/10/03) David Smith (appointed 07/08/03) Sadie Smith (appointed 10/10/03) Bransby Thomas (appointed 10/10/03) John Hart (appointed 10/10/03) Ben Reid (appointed 07/08/03) Brian Summers (appointed 10/10/03) Mary Booth (appointed 10/10/03) Valerie Broom (appointed 10/10/03) Jane Slowey (appointed 07/08/03 & resigned 03/08/04) Roger Phillips (appointed 10/10/03)
<b>SECRETARY</b>	Simon Hodgson
<b>COMPANY NUMBER</b>	04860074
<b>REGISTERED OFFICE</b>	Albert House, Quay Place 92-93 Edward Street Birmingham B1 2RA
<b>AUDITORS</b>	Clement Keys Chartered Accountants & Registered Auditors 39/40 Calthorpe Road Edgbaston Birmingham B15 1TS
<b>BANKERS</b>	Co-operative Bank Plc PO Box 101 1 Balloon Street Manchester M60 4EP

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
**(Limited by Guarantee)**

---

**CONTENTS**

---

	Page
<b>Directors' report</b>	1 - 2
<b>Auditors' report</b>	3
<b>Profit and loss account</b>	5
<b>Balance sheet</b>	6
<b>Notes to the financial statements</b>	7 - 9
<i>The following pages do not form part of the statutory accounts:</i>	
<b>Detailed profit and loss account and summaries</b>	10 - 12

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
**(Limited by Guarantee)**

---

**DIRECTORS' REPORT**  
**For the period ended 31 March 2004**

---

The directors present their report and the financial statements for the period ended 31 March 2004.

**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.

**PRINCIPAL ACTIVITIES**

The company's principal activity is to articulate a single, coherent regional voice on important issues and events effecting the West Midlands Region.

On 8 August 2003 West Midlands Regional Assembly (WMRA) became an incorporated company limited by guarantee. Prior to incorporation, the activities of the WMRA were performed by West Midlands Local Government Association.

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
**(Limited by Guarantee)**

---

**DIRECTORS' REPORT**  
**For the period ended 31 March 2004**

---

**DIRECTORS**

The directors who served during the period were:

Roger Lawrence (appointed 10/10/03 & resigned 19/01/04)  
Claude Bodenham (appointed 10/10/03 & resigned 28/07/04)  
Sir Albert Bore (appointed 10/10/03)  
Les Kyles (appointed 10/10/03)  
Rex Roberts (appointed 10/10/03)  
David Smith (appointed 07/08/03)  
Sadie Smith (appointed 10/10/03)  
Bransby Thomas (appointed 10/10/03)  
John Hart (appointed 10/10/03)  
Ben Reid (appointed 07/08/03)  
Brian Summers (appointed 10/10/03)  
Mary Booth (appointed 10/10/03)  
Valerie Broom (appointed 10/10/03)  
Jane Slowey (appointed 07/08/03 & resigned 02/08/04)  
Roger Phillips appointed 10/10/03

**AUDITORS**

Clement Keys were appointed by the directors during the period.

They will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 21 October 2004 and signed on its behalf.

**Simon Hodgson**  
Secretary

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
**(Limited by Guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**

---

We have audited the financial statements of West Midlands Regional Assembly Limited for the period ended 31 March 2004 set out on pages 5 to 9. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out on page 7.

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 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the 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 Directors' Report 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 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 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.

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
**(Limited by Guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**

---

**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 2004 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

**Clement Keys**

Chartered Accountants  
Registered Auditors

39/40 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1TS

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
**(Limited by Guarantee)**

---

**INCOME AND EXPENDITURE ACCOUNT**  
**For the period 7 August 2003 to 31 March 2004**

---

	Note	Period ended 31 March 2004 £
<b>INCOME</b>	1	1,376,470
Administrative expenses		<u>(1,256,419)</u>
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		120,051
<b>TAX ON SURPLUS ON ORDINARY ACTIVITIES</b>		<u>-</u>
<b>SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u><u>120,051</u></u>

The notes on pages 7 to 9 form part of these financial statements.

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
(Limited by Guarantee)

---

**BALANCE SHEET**  
As at 31 March 2004

---

	Note	£	31 March 2004	£
<b>FIXED ASSETS</b>				
Tangible fixed assets	3			45,594
<b>CURRENT ASSETS</b>				
Debtors	4	272,843		
Cash at bank		13,725		
			<hr/>	
			286,568	
<b>CREDITORS:</b> amounts falling due within one year	5	(268,383)		
			<hr/>	
<b>NET CURRENT ASSETS</b>				<u>18,185</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>63,779</u>
<b>RESERVES</b>				
Revenue reserve	7			63,779
			<hr/>	
			<u>63,779</u>	

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the board on 21 October and signed on its behalf.

**Bransby Thomas**  
Director

The notes on pages 7 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the period 7 August 2003 to 31 March 2004

---

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). Due to the nature of the company's activities its results have been presented in the form of an income and expenditure accounts.

**1.2 Cash flow**

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	-	10%straight line
---------------------	---	------------------

**1.4 Pensions**

The qualifying employees are members of the West Midlands Pension Fund which is a defined benefit scheme. The cost of providing retirement benefits under this scheme is charged to the Income and Expenditure account in accordance with actuarial advice.

**2. OPERATING SURPLUS**

The operating surplus is stated after charging:

	<b>Period ended 31 March 2004 £</b>
Depreciation of tangible fixed assets:	
- owned by the company	<b>5,066</b>

---

---

During the period, no director received any emoluments.

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
(Limited by Guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS**  
For the period 7 August 2003 to 31 March 2004

---

**3. TANGIBLE FIXED ASSETS**

	Furniture, fittings and equipment £
<b>Cost</b>	
Additions	50,660
At 31 March 2004	<u>50,660</u>
<b>Depreciation</b>	
Charge for the period	5,066
At 31 March 2004	<u>5,066</u>
<b>Net book value</b>	
At 31 March 2004	<u><u>45,594</u></u>

**4. DEBTORS**

	31 March 2004 £
<b>Due within one year</b>	
Amounts owed by WMLGA	227,927
Other debtors	44,916
	<u>272,843</u>

**5. CREDITORS:**  
**Amounts falling due within one year**

	31 March 2004 £
Trade creditors	234,431
Other creditors	33,952
	<u>268,383</u>

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
**(Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the period 7 August 2003 to 31 March 2004**

---

**6. COMPANY STATUS**

The company is a private company limited by guarantee and consequently does not have any share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation of the company whilst a member or within 12 months of ceasing to be a member.

**7. RESERVES**

<b>Revenue reserve</b>	<b>£</b>
Surplus retained for the period	<b>120,051</b>
Transferred from capital reserve	<b>(56,272)</b>
	<hr/>
At 31 March 2004	<b><u>63,779</u></b>
<b>Other reserves</b>	<b>£</b>
Reserves transferred from WMLGA	<b>(56,272)</b>
Transfer to revenue reserve	<b>56,272</b>
	<hr/>
At 31 March 2004	<b><u>-</u></b>

**8. WEST MIDLANDS LOCAL GOVERNMENT ASSOCIATION**

Although West Midlands Regional Assembly (WMRA) is an incorporated company, limited by guarantee it receives a range of corporate support services, including the treasury function from West Midlands Local Government Association (WMLGA), who is also the employing body for WMRA staff.

Prior to incorporation, the activities of WMRA were performed by West Midlands Local Government Association. The resulting capital loss was transferred on incorporation to WMRA. This capital loss was transferred to revenue, during the period.

**9. FINANCE LEASE COMMITMENTS**

The operations of the company are carried out by the employees of WMLGA, whose salaries and related employment costs are recharged to this company. These employees are members of the West Midlands Pension Fund, which is a defined benefit scheme.

Following a recent actuarial valuation, employer contributions are likely to increase to fund the deficit in the scheme, identified by the valuation.

In accordance with the service level agreement between WMRA and WMLGA, the company will be liable for any full increase in contributions on those contributing employees engaged in providing services to it.

**WEST MIDLANDS REGIONAL ASSEMBLY LIMITED**  
(Limited by Guarantee)

---

**DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT**  
For the period ended 31 March 2004

---

	Page	Period ended 31 March 2004 £
<b>TURNOVER</b>	11	<b>1,376,470</b>
<b>Less: OVERHEADS</b>		
Administration expenses	11	<b>(1,256,419)</b>
		<hr/>
<b>SURPLUS FOR THE PERIOD</b>		<b><u>120,051</u></b>

---

**WMRA LIMITED**  
**(Limited by Guarantee)**

**INCOME AND EXPENDITURE ACCOUNT**

---

	Period ended 31 March 2004 £
<b>TURNOVER</b>	
ODPM	1,371,420
ERN	5,000
GVA Grimley	50
	<hr/>
	<b><u>1,376,470</u></b>
	Period ended 31 March 2004 £
<b>ADMINISTRATION EXPENSES</b>	
Salaries	419,375
Office costs	100,423
Depreciation	5,066
Communications	21,087
Scrutiny Development	36,834
European Policy	9,308
Environment	11,588
Social Inclusion	40,000
Housing Forum	20,000
Health	11,557
Rural	12,598
Business	20,000
Regional Observatory	10,716
Gender	30,000
Regional Planning Body	175,867
Partnership Grants	332,000
	<hr/>
	<b><u>1,256,419</u></b>

**WMRA LIMITED**  
(Limited by Guarantee)

**INCOME AND EXPENDITURE ACCOUNT**

	7 August 2003 to 31 March 2004	1 April 2003 to 6 August 2003	12 months ended 31 March 2004	12 months ended 31 March 2003	12 months ended 31 March 2002
	£	£	£	£	£
<b>Income</b>					
ODPM	1,371,420	299,580	1,671,000	900,000	200,000
GVA Grimley	50	-	50	-	-
ERN	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>162,500</u>	<u>-</u>
	1,376,470	299,580	1,676,050	1,062,500	200,000
<b>Expenditure</b>					
<b>Assembly unit</b>					
Salaries	419,375	80,043	499,418	167,712	26,236
Office costs	100,417	28,053	128,470	167,706	73,723
Depreciation	5,066	-	5,066	-	-
Communications	21,087	53,273	74,360	162,460	-
<b>Strategic review</b>					
Concordat	-	-	-	20,300	-
Devolution forum	-	-	-	17,149	28,785
Sub-regional development	-	-	-	5,000	-
Scrutiny role	36,834	2,233	39,067	49,160	-
<b>Planning research and policy</b>					
European policy	9,314	6,639	15,953	5,300	-
Environment	11,588	5,000	16,588	-	-
Social inclusion	40,000	-	40,000	-	-
Housing forum	20,000	-	20,000	25,100	15,000
Health	11,557	-	11,557	10,000	-
Rural	12,598	4,299	16,897	15,642	-
Business	20,000	-	20,000	-	-
<b>Regional research</b>					
Regional Observatory	10,716	60,000	70,716	40,000	10,000
Sustainability	-	-	-	20,000	-
Forestry strategy	-	-	-	5,000	-
Shizuoka	-	-	-	5,000	-
SMART region	-	-	-	50,000	-
Equality	-	-	-	720	-
Youth	-	-	-	26,500	-
Gender	30,000	30,000	60,000	-	-
Regional Planning Body	175,867	30,040	205,907	105,088	10,000
Partnership Grants	332,000	-	332,000	-	28,000
Irrecoverable VAT	-	-	-	65,629	-
Interest on irrecoverable VAT	-	-	-	3,102	-
ERN	<u>-</u>	<u>-</u>	<u>-</u>	<u>160,460</u>	<u>-</u>
	1,256,419	299,580	1,555,999	1,127,028	191,744
<b>Net surplus/(deficit) for the year</b>	<u>120,051</u>	<u>-</u>	<u>120,051</u>	<u>(64,528)</u>	<u>8,256</u>
<b>Transfer from WMLGA</b>	<u>(56,272)</u>	<u>-</u>	<u>(56,272)</u>	<u>64,528</u>	<u>(8,256)</u>
<b>Retained surplus</b>	<u>63,779</u>	<u>-</u>	<u>63,779</u>	<u>-</u>	<u>-</u>