
WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
(Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
(Limited by Guarantee)

COMPANY INFORMATION

DIRECTORS	D Smith Sir A Bore T Dix R Roberts J Lines C Saint H Kidd R Stone S Sahota V Broom R Phillips B Summers B Williams S Eling K Austin R Badham P Tilsley	R McKenzie E Newman J Jones R Evans
SECRETARY	O J Dutton	
COMPANY NUMBER	04860074	
REGISTERED OFFICE	Albert House, Quay Place 92-93 Edward Street Birmingham B1 2RA	
AUDITORS	Clement Keys Chartered Accountants & Registered Auditors 39/40 Calthorpe Road Edgbaston Birmingham B15 1TS	
BANKERS	Co-operative Bank Plc PO Box 101 1 Balloon Street Manchester M60 4EP	

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WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2007

The directors present their report and the financial statements for the year ended 31 March 2007.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 that 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 corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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.

REVIEW OF THE YEAR

2006-07 signified further growth for the Regional Assembly; primarily in the extension of its role across the regional strategic infrastructure of the West Midlands. The Assembly took on additional responsibility for the Regional Housing Board and established a new Regional Housing Executive and supporting infrastructure, systems and procedures. This ensures that the Regional Housing Strategy continues to support the Regional Spatial Strategy (RSS) by facilitating improved availability of a range of quality evidence to secure housing choices across the Region; addressing issues of affordability and contributing to urban and rural renaissance for balanced and sustainable communities.

The Assembly has also undertaken many tasks that have given leadership on key strategic issues across the Region such as Climate Change; cross border working with the Welsh Assembly Government with the first cross border Memorandum of Understanding developed and formally signed by the West Midlands Regional Assembly and Welsh Assembly Government; as well as a £6.8m bid to the Big Lottery Fund for the 'Living Well

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2007

in the West Midlands' portfolio projects for Health and Wellbeing.

The priority has however been around the Regional Spatial Strategy where the Assembly has worked closely with the Regional Development Agency, Advantage West Midlands; to align the RSS revision with the Regional Economic Strategy (RES) review evidence base and process, and we have conducted a very successful Examination in Public for the Black Country Study, which is the first stage of the RSS revision.

These results demonstrate the hard work and commitment of the small officer team at the Assembly; the significant value of resources provided through partnership working via member authorities; and not least the support of the local authorities, councillors and those who represent the business and other stakeholder groups in their enthusiasm and commitment to the work of the Assembly. We are grateful for their time, support and commitment in developing the work of the Assembly, and so promoting the cause of the West Midlands around its urban and rural areas, together with its economic opportunities and challenges.

For more information on our activities visit www.wmra.gov.uk

DIRECTORS

The directors who served during the year were:

D Smith	C Bodenham (resigned 03/05/07)
Sir A Bore	R McKenzie
T Dix	E Newman
R Roberts	J Jones
J Lines	R Evans (appointed 08/06/07)
C Saint	
H Kidd (appointed 2/12/06)	
R Stone (appointed 1/8/06)	
J Hart (resigned 2/12/06)	
S Sahota	
V Broom	
R Phillips	
B Summers	
B Williams (appointed 9/3/07)	
S Eling	
D Littlemore (resigned 1/10/06)	
K Austin	
R Badham	
P Tilsley	

There are no directors' interests requiring disclosure under the Companies Act 1985.

AUDITORS

The auditors, Clement Keys, 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.

WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2007

This report was approved by the Assembly on 18 July 2007 and signed on its behalf.

Director

WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
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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 year ended 31 March 2007 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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 International Standards on Auditing (UK and Ireland) 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 judgments 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.

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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, 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 surplus for the year then ended;
- the financial statements 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.

CLEMENT KEYS

Chartered Accountants
Registered Auditors

39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

18 July 2007

WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
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INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2007

	Note	2007 £	2006 £
TURNOVER	1	2,261,837	2,151,505
Administrative expenses		(2,266,197)	(2,149,378)
OPERATING (DEFICIT)/SURPLUS	2	(4,360)	2,127
Interest receivable		19,961	19,516
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		15,601	21,643
Tax on surplus on ordinary activities	3	(3,791)	(2,260)
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION		11,810	19,383
SURPLUS BROUGHT FORWARD		91,794	72,411
RETAINED SURPLUS CARRIED FORWARD		103,604	91,794

The notes on pages 11 to 14 form part of these financial statements.

WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
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BALANCE SHEET
AS AT 31 MARCH 2007

	Note	£	2007	£	£	2006	£
FIXED ASSETS							
Tangible fixed assets	4			36,575			41,085
CURRENT ASSETS							
Debtors	5	88,351				5,960	
Cash at bank		635,419				493,729	
			<u>723,770</u>			<u>499,689</u>	
CREDITORS: amounts falling due within one year	6	(656,741)				(448,980)	
NET CURRENT ASSETS				<u>67,029</u>			<u>50,709</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>103,604</u>			<u>91,794</u>
CAPITAL AND RESERVES							
Income and expenditure account				<u>103,604</u>			<u>91,794</u>
				<u>103,604</u>			<u>91,794</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 January 2005).

The financial statements were approved and authorised for issue by the Assembly and were signed on its behalf on 18 July 2007.

Director

The notes on pages 11 to 14 form part of these financial statements.

WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

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 January 2005).

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax.

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:

Furniture, fittings and equipment	-	10%	straight line
Computer equipment	-	33%	straight line

1.4 Pensions

Employees of West Midlands Local Government Association whose costs are recharged to the company 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.

1.5 Special Projects

In seeking to meet its objectives the company manages various projects on behalf of its partners. The income and expenditure relating to these projects is not reflected within these accounts other than the financial contributions made by the company to the projects.

2. OPERATING (DEFICIT)/SURPLUS

The operating (deficit)/surplus is stated after charging:

	2007	2006
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	7,865	6,534
Auditors' remuneration	3,800	3,650
	=====	=====

During the year, no director received any emoluments (2006 - £NIL).

WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

3. TAXATION

	2007	2006
	£	£
UK corporation tax charge on surpluses for the year	3,791	2,260

There were no factors that affected the tax charge for the year which has been calculated on the bank interest receivable by the company at the standard rate of corporation tax in the UK of 19% (2006 - 19%).

There were no factors that may affect future tax charges.

4. TANGIBLE FIXED ASSETS

	Furniture, fittings and computer equipment £
Cost	
At 1 April 2006	58,134
Additions	3,355
At 31 March 2007	61,489
Depreciation	
At 1 April 2006	17,049
Charge for the year	7,865
At 31 March 2007	24,914
Net book value	
At 31 March 2007	36,575
At 31 March 2006	41,085

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

5. DEBTORS

	2007	2006
	£	£
Other debtors	88,351	5,960

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

6. CREDITORS:
Amounts falling due within one year

	2007	2006
	£	£
Trade creditors	399,056	268,345
Corporation tax	3,791	2,260
Other creditors	503	-
Deferred income - RHE	2,303	-
Special projects	210,330	117,339
Deferred income - DCLG	21,236	54,716
Other creditors - ERN	19,522	2,970
Accruals	-	3,350
	656,741	448,980
	656,741	448,980

Special project monies held on account are set out below:

	1.04.06	Income	Expenditure	31.03.07
	£	£	£	£
Energy West Midlands	1,762	46,355	34,995	13,122
Rural & Forestry Framework	49,047	70,000	53,191	65,856
Health Programme	19,359	49,164	45,777	22,746
Housing	15,697	-	-	15,697
Housing - CPOG	30,000	-	-	30,000
Sandwell RHA	-	40,000	-	40,000
Waste	-	39,235	34,125	5,110
European	1,474	-	-	1,474
Transport	-	1,900	-	1,900
Social Inclusion	-	23,000	17,572	5,427
Big Lottery Fund	-	8,830	9,833	(1,003)
LSC Strategic Review	-	10,000	-	10,000
	117,339	288,484	195,493	210,329
	117,339	288,484	195,493	210,329

7. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have 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.

WEST MIDLANDS REGIONAL ASSEMBLY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

8. PENSION SCHEME COMMITMENTS

Employees of WMLGA, whose costs are recharged to the company, are members of the West Midlands Pension Fund, which is a defined benefit scheme.

In accordance with the service level agreement between the company and WMLGA, the company is liable for any additional contributions arising as a result of events which may effect the pension benefits of employees recharged under the service level agreement.

9. WEST MIDLANDS LOCAL GOVERNMENT ASSOCIATION

West Midlands Regional Assembly (WMRA) receives under a service level agreement with West Midlands Local Government Association (WMLGA) a range of corporate support services, including the treasury function. WMLGA is also the employing body for WMRA staff.

During the year WMLGA recharged £1,347,449 in salary and corporate support services and charged a service level fee of £56,096 (£47,741 plus £8,355 VAT). WMRA also contributed a figure of £20,000 towards the cost of the refurbishment of the office space.

WMRA in turn made a recharge to WMLGA of £3,797 and received special project grant income of £15,001. At the balance sheet date WMLGA was owed £68,038 (2006: £46,477) by the company.

10. CONTROLLING PARTY

The company is controlled by its members. These are nominated by the region's local authorities and other stakeholders including business, arts and culture, community and environmental organisations.

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DETAILED INCOME AND EXPENDITURE ACCOUNT

	Year ended 31 March 2007 £	Year ended 31 March 2006 £
Income		
DCLG – Assembly Funding Agreement less general contingency deferred to 07/08	2,169,469	2,010,284
DCLG – Black Country Study	-	100,000
DCLG – Legal fund	36,011	20,812
DCLG – RHB	43,907	
Other income	150	409
ERN - Service level agreement Income	5,000	15,000
Bank interest (net of tax)	16,161	17,256
Other interest received	9	-
Other income		
Strategy review	-	5,000
Environment – Climate change impact study	7,300	-
	<u>2,278,007</u>	<u>2,168,761</u>
Expenditure		
Corporate		
Salaries recharged by WMLGA	1,130,211	1,024,361
Allowances and Members' expenses	4,222	9,463
Office costs	122,622	146,566
Communications	58,754	53,539
Depreciation	7,864	6,534
Contribution to refit costs – WMLGA	20,000	-
Planning, Housing and Transport		
Implementation	51,238	9,563
Monitoring	213,813	113,196
Conformity	20,062	25,523
Review and consultation	102,845	10,525
Urban and rural renaissance	19,500	55,368
Increasing partner participation	30,000	30,000
Black Country Study	100,000	265,000
Transport	19,981	59,142
Housing forum	-	20,324
Housing - RSS	19,500	-
Housing – RHB	43,907	-
Environment	105,898	50,673
Sustainable development	15,176	65,873
Economy	29,250	39,000
Legal costs – Coventry Airport	40,121	23,662
Research and Policy		
Health	20,350	10,000
European policy	9,031	18,177
Social inclusion	10,000	17,847

WMRA LIMITED
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DETAILED INCOME AND EXPENDITURE ACCOUNT - continued

Culture and skills	7,806	10,320
Rural	9,290	9,968
State of the Region	25,000	25,000
<i>Strategic review, Policy Integration & Development</i>		
Scrutiny role	29,756	49,751
	<hr/>	<hr/>
	2,266,197	49,375
	<hr/>	<hr/>
Net surplus for the year	11,810	19,386
	<hr/> <hr/>	<hr/> <hr/>

The company's detailed income and expenditure amount for the period to 31 March 2007 contains the disclosures required by the Department for Communities and Local Government for increased transparency in reporting. Certain expenditures in the previous year were amalgamated under different headings and therefore are not directly comparable.

WMRA LIMITED
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REVENUE ACCOUNT
ENGLISH REGIONAL NETWORK (ERN)

for the year ended 31 March 2007

	2007		2006	
	£	£	£	£
INCOME				
DCLG	240,000		194,000	
Partner contribution	<u>-</u>	240,000	<u>3,000</u>	197,000
EXPENDITURE				
Research Projects	37,069		73,274	
Salaries recharged	77,403		40,467	
Accommodation and management	17,459		-	
Secretariat support	5,478		24,949	
Conference and events	48,291		20,266	
Publications	10,534		8,699	
Office costs	2,350		1,499	
Travel and subsistence	10,289		6,596	
Service level agreement	10,000		15,000	
Operating cost	<u>4,573</u>		<u>3,280</u>	
		(223,446)		(194,030)
SURPLUS		<u>16,554</u>		<u>2,970</u>
BROUGHT FORWARD		<u>2,970</u>		<u>-</u>
CARRIED FORWARD		<u><u>19,524</u></u>		<u><u>2,970</u></u>