

Company Registration No. 00120076 (England and Wales)

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
PAGES FOR FILING WITH REGISTRAR

Horner Downey & Company Limited
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WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Balance sheet | 1 |
| Notes to the financial statements | 2 - 8 |

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

BALANCE SHEET

AS AT 31 MARCH 2019

| | Notes | 2019 | | 2018 | |
|--|-------|------------------|----------------|------------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 3 | | 862,099 | | 884,808 |
| Current assets | | | | | |
| Debtors | 4 | 462,064 | | 425,696 | |
| Cash at bank and in hand | | 325,934 | | 454,113 | |
| | | <u>787,998</u> | | <u>879,809</u> | |
| Creditors: amounts falling due within one year | 5 | <u>(662,285)</u> | | <u>(848,279)</u> | |
| Net current assets | | | 125,713 | | 31,530 |
| Total assets less current liabilities | | | <u>987,812</u> | | <u>916,338</u> |
| Creditors: amounts falling due after more than one year | 6 | | (883,305) | | (864,291) |
| Provisions for liabilities | | | <u>(3,443)</u> | | <u>8,497</u> |
| Net assets | | | <u>101,064</u> | | <u>60,544</u> |
| Reserves | | | | | |
| Income and expenditure account | | | <u>101,064</u> | | <u>60,544</u> |

The directors of the company have elected not to include a copy of the income and expenditure account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 19 December 2019 and are signed on its behalf by:

Mrs. P. B. Basnett
Director

Company Registration No. 00120076

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Wirral Chamber of Commerce and Industry is a private company limited by guarantee incorporated in England and Wales. The registered office is Egerton House, 2 Tower Road, Birkenhead, CH41 1FN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Turnover

Turnover comprises of membership, events, export fees, training, rental, management charges and contracts (exclusive of VAT and similar taxes) arising in the normal course of business.

Income relating to membership, events, export fees, training, rental and management charges is recognised at the date invoiced. There are 9 sources of contracted income where monies receivable are recognised when the contractual requirements are met.

1.3 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|------------------------|-------------------|
| Leasehold improvements | 4% straight line |
| Fixtures and fittings | 15% straight line |
| Computers | 33% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Leasehold improvements are subject to the property being leased at a peppercorn rent over 25 years.

Other lease payments are recognised as an expense over the lease term on a straight line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight line basis.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 45 (2018 - 38).

3 Tangible fixed assets

| | Land and buildings | Plant and machinery etc | Total |
|------------------------------------|-----------------------|----------------------------|-----------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2018 | 935,971 | 61,286 | 997,257 |
| Additions | 9,319 | 19,296 | 28,615 |
| At 31 March 2019 | 945,290 | 80,582 | 1,025,872 |
| Depreciation and Impairment | | | |
| At 1 April 2018 | 87,216 | 25,233 | 112,449 |
| Depreciation charged in the year | 37,624 | 13,700 | 51,324 |
| At 31 March 2019 | 124,840 | 38,933 | 163,773 |
| Carrying amount | | | |
| At 31 March 2019 | 820,450 | 41,649 | 862,099 |
| At 31 March 2018 | 848,755 | 36,053 | 884,808 |

There is a charge secured against the leasehold property improvements dated 2nd September, 2015 in favour of the Secretary of State for Communities and Local Government (see note 6).

4 Debtors

| | 2019 | 2018 |
|---|---------|---------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 294,449 | 288,331 |
| Other debtors | 69,313 | 56,864 |
| Prepayments and accrued income | 57,870 | 80,501 |
| | 421,632 | 425,696 |

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

| 4 Debtors | (Continued) | |
|---|----------------|----------------|
| | 2019 | 2018 |
| | £ | £ |
| Amounts falling due after more than one year: | | |
| Other debtors | 40,432 | - |
| | <u>40,432</u> | <u>-</u> |
| Total debtors | 462,064 | 425,696 |
| | <u>462,064</u> | <u>425,696</u> |

The balance of non-current debtors is an interest free loan to Woodside Area CIC.

| 5 Creditors: amounts falling due within one year | 2019 | 2018 |
|--|----------------|----------------|
| | £ | £ |
| Trade creditors | 106,316 | 29,402 |
| Taxation and social security | 123,421 | 108,744 |
| Other creditors | 339,054 | 359,961 |
| Accruals and deferred income | 93,494 | 350,172 |
| | <u>662,285</u> | <u>848,279</u> |

| 6 Creditors: amounts falling due after more than one year | 2019 | 2018 |
|---|----------------|----------------|
| | £ | £ |
| Other borrowings | 612,214 | 580,689 |
| Government grants | 271,091 | 283,602 |
| | <u>883,305</u> | <u>864,291</u> |

Other borrowings relate to amounts received from Liverpool City Council in relation to the leasehold property improvements in Pacific Road.

Government grants relate to an ERDF grant claim in relation to the leasehold property improvements in Pacific Road. This grant is secured by way of a charge over the property and assets in favour of the Secretary of State for Communities and Local Government dated 2nd September, 2015.

7 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Mark Williams FCCA.
The auditor was Horner Downey & Company Limited.

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| | 2019 | 2018 |
|----------------------------|----------------|---------------|
| | £ | £ |
| Within one year | 19,577 | 6,527 |
| Between two and five years | 69,154 | 13,674 |
| In over five years | 75,000 | - |
| | <u>163,731</u> | <u>20,201</u> |

Included in operating lease commitments is an annual rental of £15,000 for 10 years on behalf of Woodside Area CIC. The rental payments are recharged to Woodside Area CIC and not recognised in surplus or deficit as an expense.

WIRRAL CHAMBER OF COMMERCE AND INDUSTRY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Related party transactions

Some of the current directors are also on the Board of the following companies:

Egerton House (Wirral) CIC- Mrs. P. B. Basnett, Mrs. S. Kirkham

McEwan Wallace Limited- Mr. A. C. Gould

Lauries Events Limited- Mrs. P. B. Basnett and Mr. A. Hamid

The Lauries Limited- Mrs. P. B. Basnett and Mr. A. Hamid

Woodside Area CIC- Mrs. P. B. Basnett and Mr. R. Willisich

At the year end date, Wirral Chamber of Commerce and Industry owed £314,507 (2018 - £325,210) to Egerton House (Wirral) CIC.

During the year McEwan Wallace Limited invoiced Wirral Chamber of Commerce and Industry £3,900 (2018 - £4,057) for accountancy and bookkeeping services.

At the year end date, Wirral Chamber of Commerce and Industry were owed £30,061 (2018 - £46,620) from The Lauries Limited, which are included in other debtors.

Included in non-current other debtor is a zero interest loan from Wirral Chamber of Commerce and Industry to Woodside Area CIC, which will be repaid from April 2020. The outstanding balance at the year end was £40,432 (2018 - 2,775), at the date of signing the accounts, the balance had increased to £86,000.

During the year Wirral Chamber of Commerce has signed a 10 years commercial letting lease on behalf of Woodside Area CIC.

Rent includes rental charged by The Lauries Limited. Rent of £49,123 was charged by The Lauries Limited (2018- £ 49,123).

Turnover includes management charges received from Egerton House (Wirral) CIC of £82,000 Lauries Events Limited of £9,000 and from The Lauries Limited of £960 in respect of services supplied.

Wirral Chamber of Commerce and Industry became the sole member of Community Action Wirral on the 27th March, 2018 and the sole member of Egerton House (Wirral) CIC on the 9th January, 2018.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.