

Company registration number 00145454 (England and Wales)

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

COMPANY INFORMATION

Directors	Ms C B Murphy Mr M Clarke Mr J A Boydell Mrs D E Cheetham Mr M Mayor Mr D Smith-Hart Mr N G Tenray Mr P J Whalley Ms J Cole Mr S M Chalcraft Mr P Evans Mr T Freshney
Secretary	Mr A Welsh
Company number	00145454
Registered office	Unit 9-10 Eastway Business Village Olivers Place Fulwood Preston PR2 9WT
Auditor	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

CONTENTS

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report	3 - 5
Income and expenditure account	6
Balance sheet	7
Notes to the financial statements	8 - 13

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of promoting commerce and industry in the North and Western Lancashire region and the operating of a documentation system for exports.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms C B Murphy

Mr M Clarke

Mr J A Boydell

Mrs D E Cheetham

Mr M Mayor

Mr D Smith-Hart

Mr N G Tenray

Mr P J Whalley

Ms J Cole

Mr S M Chalcraft

Mr M R Sidgreaves

(Resigned 11 May 2021)

Mr P Evans

Mr T Freshney

Auditor

The auditor, MHA Moore and Smalley, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



.....
Ms J Cole

Director

28/09/2022
.....

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

Opinion

We have audited the financial statements of North & Western Lancashire Chamber of Commerce (the 'company') for the year ended 31 December 2021 which comprise the income and expenditure account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

- Enquiries with management about any known or suspected instances of non-compliance with laws or regulations and fraud
- Reading correspondence with regulators including BCC (British Chamber of Commerce)
- Review of board minutes
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to property valuations; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Accreditation with British Chamber of Commerce; Health and Safety; Employment Law; Anti-bribery and corruption; compliance with the UK Companies Act

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Paul Spencer (Senior Statutory Auditor)
For and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

28/09/2022
.....

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Income	1,773,598	931,527
Cost of sales	(848,542)	(492,325)
	<hr/>	<hr/>
Gross surplus	925,056	439,202
Administrative expenses	(479,746)	(362,005)
Other operating income	17,051	88,126
	<hr/>	<hr/>
Operating surplus	462,361	165,323
Interest receivable and similar income	362	233
Interest payable and similar expenses	-	(58)
	<hr/>	<hr/>
Surplus before taxation	462,723	165,498
Tax on surplus	(89,647)	(35,886)
	<hr/>	<hr/>
Surplus for the financial year	<u>373,076</u>	<u>129,612</u>

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

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Intangible assets	3		2,111		13,111
Tangible assets	4		754,603		768,730
			<u>756,714</u>		<u>781,841</u>
Current assets					
Debtors	5	348,502		262,044	
Cash at bank and in hand		1,133,014		703,314	
		<u>1,481,516</u>		<u>965,358</u>	
Creditors: amounts falling due within one year	6	(691,632)		(568,193)	
Net current assets			<u>789,884</u>		<u>397,165</u>
Total assets less current liabilities			1,546,598		1,179,006
Provisions for liabilities			(11,961)		(17,445)
Net assets			<u>1,534,637</u>		<u>1,161,561</u>
Reserves					
Called up share capital	7		-		-
Income and expenditure account			1,534,637		1,161,561
Members' funds			<u>1,534,637</u>		<u>1,161,561</u>

These financial statements have been prepared 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 28/09/2022 and are signed on its behalf by:

Jane Cole

.....
Ms J Cole
Director

Company Registration No. 00145454

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

North & Western Lancashire Chamber of Commerce is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 9-10 Eastway Business Village, Olivers Place, Fulwood, Preston, PR2 9WT.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

During the year the country was still facing the aftermath of the coronavirus pandemic, with there being a national lockdown at the beginning of the year. As vaccinations were rolled out the pandemic effect eased as the year went on. The directors have acknowledged the impact of the pandemic on the business in making their assessment, but at the time of writing all government restrictions have now been lifted.

Based on the cash position of company and budgeted activity for a period of at least 12 months from the date of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income and expenditure

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

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

CRM Software

Over 3 years from 2019 Financial Year

1.5 Tangible fixed assets

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

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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

Land and buildings Freehold	No depreciation
Land and buildings Leasehold	2% straight line
Fixtures, fittings & equipment	20% reducing balance
Computer equipment	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.

No depreciation is provided on freehold buildings as, in the opinion of the directors', the property's estimated residual value is such that the current depreciation charge and accumulated depreciation is immaterial.

1.6 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.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors 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 receipts 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.

1.9 Taxation

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

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.13 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:

	2021 Number	2020 Number
Total	18	20

3 Intangible fixed assets

	CRM Software £
Cost	
At 1 January 2021 and 31 December 2021	33,000
Amortisation and impairment	
At 1 January 2021	19,889
Amortisation charged for the year	11,000
At 31 December 2021	30,889
Carrying amount	
At 31 December 2021	2,111
At 31 December 2020	13,111

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Tangible fixed assets

	Land and buildings Freehold	Land and buildings Leasehold	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2021	221,032	582,689	119,297	36,728	959,746
Additions	-	-	17,800	6,946	24,746
At 31 December 2021	221,032	582,689	137,097	43,674	984,492
Depreciation and impairment					
At 1 January 2021	39,756	93,226	33,748	24,286	191,016
Depreciation charged in the year	-	11,653	17,934	9,286	38,873
At 31 December 2021	39,756	104,879	51,682	33,572	229,889
Carrying amount					
At 31 December 2021	181,276	477,810	85,415	10,102	754,603
At 31 December 2020	181,276	489,463	85,549	12,442	768,730

5 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Service charges due	153,452	106,625
Other debtors	195,050	155,419
	348,502	262,044

6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	161,447	41,470
Taxation and social security	88,975	89,395
Other creditors	441,210	437,328
	691,632	568,193

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.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 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:

2021	2020
£	£
4,842	3,288
<u>4,842</u>	<u>3,288</u>

9 Related party transactions

Due to the nature of the company's operations and the composition of the Board of Directors being drawn from the local business community, it is inevitable that transactions will take place with organisations in which a director may have an interest. All transactions involving an organisation in which a director may have an interest are conducted at arms length and in accordance with the company's normal procurement procedures.

10 Business Improvement District (BID)

Business Improvement Districts are an arrangement where businesses identify projects or services that will add value to their operations and then agree on the level of funds - the BID levy - which they will pay to make it happen.

The BID levies are collected by the Local County Council and forwarded on to North and Western Lancashire Chamber of Commerce, who are then responsible for implementing a range of initiatives to increase visitor numbers and boost trade in the city centre.

North and Western Lancashire Chamber of Commerce currently manage the funds for Preston BID.

As at the year ended 31 December 2021, an amount of £299,953 (2020 - £351,117) was held in a separate BID bank account for Preston BID. This money is ring fenced for the individual BID and is included within other creditors.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		2020
	£	£	£	£
Income				
Membership Subscriptions		335,042		347,909
Membership Services		26,379		18,514
Membership Income		2,606		4,739
International Trade		282,449		208,054
Training Income		35,669		29,439
Preston BID		80,285		74,665
Sundry Income		8,667		8,438
Department of International Trade Contract		11,085		26,868
New Enterprise Allowance		130,389		112,262
European Regional Development Fund Contract		1,640		48,132
BIBAs Income		187,395		-
European Regional Development Fund Contract (Low Carbon)		52,990		52,507
Business Readiness Fund re Brexit		50,000		-
Kick start		417,740		-
LSIP		149,912		-
Peer to Peer		1,350		-
		<u>1,773,598</u>		<u>931,527</u>
Cost of sales				
<i>Purchases and other direct costs</i>				
Direct costs	320,592		120,656	
BIBAs expenses	180,344		5,049	
BIBA Foundation	7,051		-	
Wages and salaries	340,555		366,620	
	<u>848,542</u>		<u>492,325</u>	
Total purchases and other direct costs				
Total cost of sales		<u>(848,542)</u>		<u>(492,325)</u>
Gross surplus	52.16%	925,056	47.15%	439,202
Other operating income				
Rent receivable	16,218		16,189	
Coronavirus job retention scheme grant	833		71,937	
		<u>17,051</u>		<u>88,126</u>

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

	£	2021 £	£	2020 £
Administrative expenses				
Wages and salaries	69,385		1,857	
Staff recruitment costs	1,525		-	
Staff training	570		243	
Staff pension costs defined contribution	37,926		9,540	
Directors' remuneration and pension contributions	109,075		106,026	
Photocopying expenditure	5,075		5,991	
Rates and insurance	31,787		25,606	
Cleaning	3,937		4,791	
Power, light and heat	4,737		8,249	
Property repairs and maintenance	15,416		23,949	
Computer running costs	24,202		30,503	
Leasing - motor vehicles	3,791		4,895	
Travelling expenses	2,049		1,099	
Postage, courier and delivery charges	4,986		3,959	
Subscriptions and donations	27,343		24,324	
Legal and professional fees	25,666		17,319	
Audit fees	5,000		4,350	
Bank charges	4,100		3,296	
Books, printing and stationery	2,828		1,522	
Chamber marketing	33,097		10,634	
Telecommunications	2,959		3,740	
Sundry expenses	14,419		17,257	
Depreciation	49,873		52,855	
		(479,746)		(362,005)
Operating surplus		462,361		165,323
Interest receivable and similar income				
Bank interest received	362		233	
		362		233
Interest payable and similar expenses				
Bank interest on loans and overdrafts		-		(58)
Surplus before taxation	26.09%	462,723	17.77%	165,498

Company registration number 00145454 (England and Wales)

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

PAGES FOR FILING WITH REGISTRAR

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

COMPANY INFORMATION

Directors	Ms C B Murphy Mr M Clarke Mr J A Boydell Mrs D E Cheetham Mr M Mayor Mr D Smith-Hart Mr N G Tenray Mr P J Whalley Ms J Cole Mr S M Chalcraft Mr P Evans Mr T Freshney
Secretary	Mr A Welsh
Company number	00145454
Registered office	Unit 9-10 Eastway Business Village Olivers Place Fulwood Preston PR2 9WT
Auditor	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

BALANCE SHEET


AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Intangible assets	3		2,111		13,111
Tangible assets	4		754,603		768,730
			<u>756,714</u>		<u>781,841</u>
Current assets					
Debtors	5	348,502		262,044	
Cash at bank and in hand		1,133,014		703,314	
		<u>1,481,516</u>		<u>965,358</u>	
Creditors: amounts falling due within one year	6	(691,632)		(568,193)	
Net current assets			<u>789,884</u>		<u>397,165</u>
Total assets less current liabilities			1,546,598		1,179,006
Provisions for liabilities			(11,961)		(17,445)
Net assets			<u>1,534,637</u>		<u>1,161,561</u>
Reserves					
Called up share capital	7		-		-
Income and expenditure account			1,534,637		1,161,561
Members' funds			<u>1,534,637</u>		<u>1,161,561</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 28/09/2022 and are signed on its behalf by:



Ms J Cole
Director

Company Registration No. 00145454

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

North & Western Lancashire Chamber of Commerce is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 9-10 Eastway Business Village, Olivers Place, Fulwood, Preston, PR2 9WT.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

During the year the country was still facing the aftermath of the coronavirus pandemic, with there being a national lockdown at the beginning of the year. As vaccinations were rolled out the pandemic effect eased as the year went on. The directors have acknowledged the impact of the pandemic on the business in making their assessment, but at the time of writing all government restrictions have now been lifted.

Based on the cash position of company and budgeted activity for a period of at least 12 months from the date of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income and expenditure

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

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

CRM Software

Over 3 years from 2019 Financial Year

1.5 Tangible fixed assets

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

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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

Land and buildings Freehold	No depreciation
Land and buildings Leasehold	2% straight line
Fixtures, fittings & equipment	20% reducing balance
Computer equipment	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.

No depreciation is provided on freehold buildings as, in the opinion of the directors', the property's estimated residual value is such that the current depreciation charge and accumulated depreciation is immaterial.

1.6 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.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors 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 receipts 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.

1.9 Taxation

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

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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.

1.13 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:

	2021 Number	2020 Number
Total	18	20

3 Intangible fixed assets

	CRM Software £
Cost	
At 1 January 2021 and 31 December 2021	33,000
Amortisation and impairment	
At 1 January 2021	19,889
Amortisation charged for the year	11,000
At 31 December 2021	30,889
Carrying amount	
At 31 December 2021	2,111
At 31 December 2020	13,111

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Tangible fixed assets

	Land and buildings Freehold	Land and buildings Leasehold	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2021	221,032	582,689	119,297	36,728	959,746
Additions	-	-	17,800	6,946	24,746
At 31 December 2021	221,032	582,689	137,097	43,674	984,492
Depreciation and impairment					
At 1 January 2021	39,756	93,226	33,748	24,286	191,016
Depreciation charged in the year	-	11,653	17,934	9,286	38,873
At 31 December 2021	39,756	104,879	51,682	33,572	229,889
Carrying amount					
At 31 December 2021	181,276	477,810	85,415	10,102	754,603
At 31 December 2020	181,276	489,463	85,549	12,442	768,730

5 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Service charges due	153,452	106,625
Other debtors	195,050	155,419
	348,502	262,044

6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	161,447	41,470
Taxation and social security	88,975	89,395
Other creditors	441,210	437,328
	691,632	568,193

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.

NORTH & WESTERN LANCASHIRE CHAMBER OF COMMERCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 Paul Spencer and the auditor was MHA Moore and Smalley.

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:

2021	2020
£	£
4,842	3,288
<u>4,842</u>	<u>3,288</u>

10 Related party transactions

Due to the nature of the company's operations and the composition of the Board of Directors being drawn from the local business community, it is inevitable that transactions will take place with organisations in which a director may have an interest. All transactions involving an organisation in which a director may have an interest are conducted at arms length and in accordance with the company's normal procurement procedures.

11 Business Improvement District (BID)

Business Improvement Districts are an arrangement where businesses identify projects or services that will add value to their operations and then agree on the level of funds - the BID levy - which they will pay to make it happen.

The BID levies are collected by the Local County Council and forwarded on to North and Western Lancashire Chamber of Commerce, who are then responsible for implementing a range of initiatives to increase visitor numbers and boost trade in the city centre.

North and Western Lancashire Chamber of Commerce currently manage the funds for Preston BID.

As at the year ended 31 December 2021, an amount of £299,953 (2020 - £351,117) was held in a separate BID bank account for Preston BID. This money is ring fenced for the individual BID and is included within other creditors.

North & Western Lancashire Chamber of Commerce

Registered office address:
Unit 9-10 Eastway Business Village
Oliver's Place
Fulwood
Preston
PR2 9WT

Company number: 00145454
Place of incorporation: England & Wales

MHA Moore and Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

Dear Sirs

Financial statements for the year ended 31 December 2021

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the company's financial statements for the year ended 31 December 2021. These enquiries have included inspection of supporting documentation, where appropriate, and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as directors, as set out in the terms of your engagement letter under the Companies Act 2006, for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the company have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the company, and with all other records and related information requested, including minutes of all management and shareholder meetings.
- 4 The financial statements are free of material misstatements, including omissions.
- 5 The effects of uncorrected misstatements (as set out in page 8 of the Audit Findings report) are immaterial both individually and in total.

Internal control and fraud

- 6 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

- 9 The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except for those that are disclosed in the notes to the financial statements.
- 10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11 We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

- 12 The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

Loans and arrangements

- 13 The company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

Legal claims

- 14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

Laws and regulations

- 15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

- 16 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

Subsequent events

- 17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

- 18 We believe that the company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. We also confirm our plans for future action(s) required to enable the company to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the company's ability to continue as a going concern need to be made in the financial statements.

Specific representations

- 19 We confirm the following specific representations made to you during the course of your audit:
- The directors consider that, at the balance sheet date, the net book value of the freehold building, £181,276, would not be too dissimilar to the expected realisable value at the end of its estimate useful life. Any depreciation charge and increase in the accumulated depreciation would therefore be immaterial.

- The property disclosed as Land and Buildings Leasehold is included in the accounts at an amount of £477,810 which is similar to market value.
- Directors' remuneration is paid at a market rate, as such no related party transaction disclosure is required in the financial statements.
- Transactions with an organisation in which a director may have an interest are all at commercial market rates and conducted at arm's length in accordance with the company's normal procurement procedures.
- We approve the adjustments made to the accounts during the audit process, as set out on page 7 of the Audit Findings Report.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each director has taken all the steps he or she ought to have taken as a director to make him or herself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully



Director
On behalf of the board of directors

Date 28/09/2022