

Company registration number 00054940 (England and Wales)

**WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) COMPANY INFORMATION

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|                          |   |                              |
|--------------------------|---|------------------------------|
| <b>Directors</b>         | Mr J M Mason  | (Appointed 3 May 2022)       |
|                          | Mr D Murray   | (Appointed 1 March 2022)     |
|                          | Mr C J Black  | (Appointed 9 September 2021) |
|                          | Mr M G Cowgill  | (Appointed 9 September 2021) |
|                          | Mrs V Wainwright  |                              |
|                          | Mr N J Garthwaite   |                              |
|                          | Mr L R Underwood  |                              |
|                          | Ms A Beresford  |                              |
|                          | Mr A J Digwood  |                              |
|                          | Mrs S R Watson  |                              |
|                          | Mr M J Briffett   |                              |
|                          | Mr L J Beardmore  |                              |
|                          | Miss N A Karim  |                              |
|                          | Mr C Thomson  |                              |
| <b>Secretary</b>         | Mrs J A Snook   |                              |
| <b>Company number</b>    | 00054940  |                              |
| <b>Registered office</b> | Devere House<br>Vicar Lane<br>Little Germany<br>Bradford<br>BD1 5AH                   |                              |
| <b>Auditor</b>           | Azets Audit Services Limited<br>Triune Court<br>Monks Cross Drive<br>York<br>YO32 9GZ |                              |

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**WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**CONTENTS**

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|   | <b>Page</b> |
|---|-------------|
| Strategic report                        | 1 - 3       |
| Directors' report                       | 4 - 5       |
| Directors' responsibilities statement   | 6           |
| Independent auditor's report            | 7 - 10      |
| Group statement of comprehensive income | 11          |
| Group balance sheet                     | 12          |
| Company balance sheet                   | 13          |
| Group statement of changes in equity    | 14          |
| Company statement of changes in equity  | 15          |
| Group statement of cash flows           | 16          |
| Notes to the financial statements       | 17 - 39     |

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# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) STRATEGIC REPORT

**FOR THE YEAR ENDED 31 MARCH 2022**

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The directors present the strategic report for the year ended 31 March 2022.

### **Fair review of the business**

The West & North Yorkshire Chamber brings together the Chambers serving Bradford, Leeds, and York & North Yorkshire. The Chamber would not be successful in connecting, supporting and representing businesses in its operating area without the continuing support and involvement of its members, committees, directors and colleagues and I would like to thank all of you for the contributions you have made in the last twelve months.

The Chamber is a membership organisation financed from subscriptions, from providing services to members and clients, from letting property and by delivering two European Union funded contracts, Ad:Venture and the European Enterprise Network. The Chamber works with a wide range of enterprises from those looking to start their own business, through small and medium-sized ones to the largest public limited companies across West and North Yorkshire. Its principal activities include:

- **Trade** – connecting businesses to each other, to specialist advice and services.
- **Voice** – influencing decision-makers and raising the profile of business issues.
- **International trade** – helping companies to trade globally and reach new markets.
- **Events** – connecting members, customers and suppliers, providing essential business information and learning opportunities.
- **Connecting** - Maintaining an effective network driven by business for business.
- **Leadership** – leading the business agenda and involving relevant representatives.
- **Place** – to work in partnership to create successful areas where businesses and communities can thrive.
- **Property** - providing quality serviced offices and industrial units.
- **Social impact** – activating and maintaining the Raising the Bar network and awards to bring businesses and community needs together.

The Chamber's subsidiary company, Business & Enterprise Finance Ltd, provides loans to business, primarily in Yorkshire and the Humber and Teesside, including offering finance from the Start-up Loan Company. BEF also manages funds on behalf of the North Yorkshire Investment Fund.

The Covid pandemic and the UK's exit from the European Union continued to have a negative impact on businesses.

Working from home was once again the norm for many companies. Even when restrictions were lifted, some did not return to their normal workplace, affecting businesses in the hospitality and leisure sectors and the Chamber itself.

The volume of international trade documents fell by an average of 25% in 2021 as many struggled with new regulation and increased costs, especially for transporting goods.

It had been our intention to hold face-to-face events during the year, but that was not possible due to the lockdowns and the continuation of home working into 2022. Fortunately, we were able to hold online events, briefings and committee meetings. However, the Chamber was able to hold annual dinners between lockdowns in York, Bradford and Leeds and to host the Governor of the Bank of England, Andrew Bailey, on his first visit to the region since his appointment in October 2021.

Some members had difficulty paying their subscriptions, while others ceased trading, resulting in a fall in the Chamber's membership income.

# **WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **STRATEGIC REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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##### **Performance during the year**

Elections took place for the Leadership Groups in Bradford, Leeds and York & North Yorkshire in July 2021 resulting in the recruitment of new members in each of the three geographical areas.

The Board appointed Amanda Beresford, immediate Past President of the Leeds Chamber, as its Chair, with Nick Garthwaite, Past President of the Bradford Chamber, as the Vice Chair. Mark Cowgill of Exa Networks and Chris Black of Sound Leisure joined the Board in September 2021 and Dan Murray of the Leeds List joined in March 2022.

Occupancy in the offices and workshops let by the Chamber was high throughout the year. The additional space attracted interest from new tenants, including from one firm that took a five-year lease for one floor of the Chamber's main office, Devere House.

Key issues for members were skills, Brexit, transport, supply chains and increases in costs. The Chamber had regular contact and meetings with Transport for the North, the Department for Transport and Network Rail, to influence investment in future services. Key issues were the Northern Powerhouse Rail, including a station in Bradford and HS2. The team of the British Chambers of Commerce voiced the concerns of our area to decision-makers in the Government and other decision-making bodies.

A Black and Asian Minority Ethnic (BAME) Business Committee, supported by Chair, Nasreen Karim, and Karl Oxford, Deputy Chair, increased the level of engagement with BAME-led businesses. Committee members joined the Leadership Groups in Leeds and Bradford and encouraged contacts to attend a member recruitment event in March 2022.

In North Yorkshire the President, Laurence Beardmore, and Past President, Andrew Digwood, were engaged on a number of City of York Committees, in discussions on the review of local authorities in North Yorkshire and on the proposal for York to become the home of Great British Rail.

The British Chambers of Commerce network grew and has 73 overseas Chambers, allowing the Chamber to provide links globally.

##### **Key performance indicators and year end results**

###### ***West & North Yorkshire Chamber***

The Chamber's membership level fell as businesses' payments lapsed. The continued support of patrons has helped to maintain the production of the Chamber magazine, produced online throughout the year and to deliver virtual events and meetings, for which the Chamber is grateful.

The need to furlough colleagues ended in 2021 and we have made no redundancies during the year.

There was a trading loss for 2021/22 of £91,108. The investment income in 2020/21 was £97,287 compared with that of 2021/22 of £32,432.

###### ***Business & Enterprise Finance Ltd ("BEF") to 31 March 2022***

The Chamber's subsidiary company, BEF, loaned £8.2m to businesses predominantly across the North of England but also other parts of the UK. £6.2m was their own funds, £2m was Northern Powerhouse Funds. BEF also facilitated 479 loans worth just over £6m of start-up loans. BEF was a key partner on the delivery of the British Business Bank's (BBB) Coronavirus Business Interruption Loan Scheme (CBILs), and the Recovery Loan Scheme (RLS), supporting SMEs through the pandemic. The company managed Start-up Loans and the Northern Powerhouse Investment Fund (NPIF) Micro Loan Fund on behalf of the BBB. Malcolm Lynch acted as the Chair of the company, working with non-executive directors Kim Rebecchi (resigned October 2021), Lee Underwood, Steve Nicholson and Sandy Needham, with Alex Beardsley and Tim Hamilton joining the Board in December 2021. Executive directors were former Finance Director, Nicola Beaumont (resigned in February 2022) and current Chief Executive, Stephen Waud.

# **WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Future developments**

The Chamber has based its subscriptions on the number of people employed by each member, but in the coming year, it will offer members a range of packages with a variety of benefits, so they can choose the option that is best suited to their needs.

The Chamber will bid in July 2022 to run Local Skills Improvement Plan programme on behalf of the Department for Education covering West Yorkshire and North Yorkshire. If successful, delivery will begin in the autumn.

The successful manufacturing initiative, Bradford Manufacturing Weeks, will run in October 2022. The activity would not be possible without the support of sponsors both financially and with their support to promote the initiative across the wider business community. There will be panel sessions, visits to businesses, talks in schools, work experience and a design competition.

The Ad:Venture contract will continue and a new contract with Innovate UK started in April 2022.

#### **The Voice of Business – Presidents**

In 2021, members elected three new Presidents. They are Mike Briffett of the Leeds Chamber, Victoria Wainwright of the Bradford Chamber and Laurence Beardmore of the York and North Yorkshire Chamber.

Committee meetings were held both online and in person during the year, covering topics such as place, property, the environment and the economy. Presidents were involved in as many partnership and general activities as in a normal year.

#### **Other information**

The Chamber employs 51 individuals and its subsidiary company, Business & Enterprise Finance Ltd employs 27 people.

The West & North Yorkshire Chamber Board held a strategic review in October 2021 and in February 2022, and approved the business plan and budget in March. It will monitor the Chamber's performance throughout the year and hold a half-year review in the autumn.

The annual, independent colleague survey showed a small increase in the Chamber's overall score, placing it in the top 10 of 200 businesses using the survey service, despite the difficulties of working from home. A working group of colleagues will present ideas for improving staff benefits in 2022.

The internal "green team" is active, involving colleagues from across the business, to look at sustainability issues for the Chamber's operations.

Colleagues received annual compliance training and guidance on General Data Protection Regulation, money laundering, anti-bribery, equality, and diversity. Colleagues also undertook training in the use of the Salesforce database, Microsoft Teams, first aid and as fire marshals. 5 colleagues are undertaking professional development courses.

On behalf of the board

Ms A Beresford  
**Director**

23 August 2022

# **WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2022***

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The directors present their annual report and financial statements for the year ended 31 March 2022.

#### **Principal activities**

The principal activity of the company and group continued to be that of the support and representation of industry and commerce in the West and North Yorkshire area. During the year, the group's activities were undertaken by West and North Yorkshire Chamber of Commerce and Industry, Business & Enterprise Finance Ltd, Business & Enterprise Finance (NE) Ltd, Google Development Trust, BEF BSC Limited and BEF-NPIF GP Limited.

#### **Results and dividends**

The results for the year are set out on page 11. In accordance with its Articles, the company is not permitted to pay dividends.

#### **Directors**

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

|                   |                              |
|-------------------|------------------------------|
| Mr J M Mason      | (Appointed 3 May 2022)       |
| Mr D Murray       | (Appointed 1 March 2022)     |
| Mr C J Black      | (Appointed 9 September 2021) |
| Mr M G Cowgill    | (Appointed 9 September 2021) |
| Mrs V Wainwright  |                              |
| Mr N J Garthwaite |                              |
| Mr L R Underwood  |                              |
| Ms A Beresford    |                              |
| Mr A J Digwood    |                              |
| Mrs S R Watson    |                              |
| Mr M J Britfett   |                              |
| Mr L J Beardmore  |                              |
| Miss N A Karim    |                              |
| Mr C Thomson      |                              |
| Mrs B L Meynell   | (Resigned 9 September 2021)  |
| Mr G R Jennings   | (Resigned 9 September 2021)  |
| Ms P M Dillon     | (Resigned 9 September 2021)  |
| Mrs S Needham     | (Resigned 29 April 2022)     |

#### **Auditor**

Azets Audit Services Limited were appointed auditor to the company following their acquisition of the trade of Garbutt & Elliott Audit Limited on 1 December 2021. In accordance with s487(2) of the Companies Act 2006 they are deemed reappointed annually.

#### **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 auditor of the company 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 auditor of the company is aware of that information.

**WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

**(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2022***

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On behalf of the board

Ms A Beresford

**Director**

23 August 2022



## **WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

### **(A COMPANY LIMITED BY GUARANTEE) DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 MARCH 2022***

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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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

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#### Opinion

We have audited the financial statements of West And North Yorkshire Chamber of Commerce And Industry (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 group's and the parent company's affairs as at 31 March 2022 and of the group's profit 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 group and parent 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 group's and parent 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.

# **WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

## **(A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

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#### **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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

#### **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 parent 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 parent 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.

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

# **WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

## **(A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

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#### **Extent to which the audit was capable of identifying irregularities, including fraud**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the company's and the group's regulatory and legal correspondence. We discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The company and the group are subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related company legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, particularly employment and GDPR legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the members and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the company and the group to commit fraud. Our risk assessment procedures included enquiry of directors to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- revenue recognition and in particular the risk that revenue is recorded in the wrong period; and
- subjective accounting estimates and in particular loan book bad debt provisioning.

Both risks arise due to a potential desire to present the financial statements in a stronger position. We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias, with a particular focus on the steps management have taken to ensure adequacy and appropriateness of loan book provisioning; and
- testing the timing and recognition of income and, in particular, that it was appropriately recognised or deferred.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# **WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

## **(A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

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#### **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.

**For and on behalf of Azets Audit Services Limited**

23 August 2022

**Chartered Accountants  
Statutory Auditor**

Triune Court  
Monks Cross Drive  
York  
YO32 9GZ

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

|   | Notes    | 2022<br>£        | 2021<br>£        |
|---|----------|------------------|------------------|
| Turnover  | 3        | 6,232,284        | 5,821,105        |
| Cost of sales   |          | (825,695)        | (721,730)        |
| <b>Gross profit</b>   |          | <b>5,406,589</b> | <b>5,099,375</b> |
| Administrative expenses   |          | (4,810,380)      | (4,690,950)      |
| Other operating income  |          | 103,179          | 350,471          |
| <b>Operating profit</b>   | <b>4</b> | <b>699,388</b>   | <b>758,896</b>   |
| Interest receivable and similar income                              | 8        | 11,199           | 11,134           |
| Interest payable and similar expenses                               | 9        | (446,842)        | (410,249)        |
| Fair value adjustment of investments                                | 10       | 32,432           | 97,287           |
| <b>Profit before taxation</b>                                       |          | <b>296,177</b>   | <b>457,068</b>   |
| Tax on profit   | 11       | (13,755)         | (50,108)         |
| <b>Profit and total comprehensive income for the financial year</b> |          | <b>282,422</b>   | <b>406,960</b>   |

The group statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE)

### GROUP BALANCE SHEET

AS AT 31 MARCH 2022

|  | Notes | 2022<br>£          | £                   | 2021<br>£          | £                   |
|--|-------|--------------------|---------------------|--------------------|---------------------|
| <b>Fixed assets</b>  |       |                    |                     |                    |                     |
| Intangible assets  | 12    |                    | 120,752             |                    | 169,472             |
| Tangible assets  | 13    |                    | 3,871,801           |                    | 3,977,427           |
| Investments  | 14    |                    | 449,314             |                    | 409,874             |
|  |       |                    | <u>4,441,867</u>    |                    | <u>4,556,773</u>    |
| <b>Current assets</b>  |       |                    |                     |                    |                     |
| Debtors falling due after more than one year                   | 16    | 10,992,748         |                     | 11,818,404         |                     |
| Debtors falling due within one year                            | 16    | 4,740,675          |                     | 5,131,939          |                     |
| Cash at bank and in hand                                       |       | 7,054,651          |                     | 2,766,521          |                     |
|  |       | <u>22,788,074</u>  |                     | <u>19,716,864</u>  |                     |
| <b>Creditors: amounts falling due within one year</b>          | 17    | <u>(5,164,750)</u> |                     | <u>(2,973,808)</u> |                     |
| <b>Net current assets</b>                                      |       |                    | <u>17,623,324</u>   |                    | <u>16,743,056</u>   |
| <b>Total assets less current liabilities</b>                   |       |                    | <u>22,065,191</u>   |                    | <u>21,299,829</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 18    |                    | <u>(11,776,701)</u> |                    | <u>(12,227,391)</u> |
| <b>Provisions for liabilities</b>                              |       |                    |                     |                    |                     |
| Deferred tax liability   | 21    | 38,000             |                     | 47,000             |                     |
|  |       | <u>38,000</u>      | <u>(38,000)</u>     | <u>47,000</u>      | <u>(47,000)</u>     |
| <b>Net assets</b>  |       |                    | <u>10,250,490</u>   |                    | <u>9,025,438</u>    |
| <b>Capital and reserves</b>                                    |       |                    |                     |                    |                     |
| Other reserves   |       |                    | 7,726,058           |                    | 6,783,428           |
| <b>Profit and loss reserves</b>                                |       |                    |                     |                    |                     |
| Perpetuity reserve   |       | 56,515             |                     | -                  |                     |
| General profit and loss reserve                                |       | 2,467,917          |                     | 2,242,010          |                     |
|  |       | <u>2,524,432</u>   | <u>2,524,432</u>    | <u>2,242,010</u>   | <u>2,242,010</u>    |
|  |       |                    | <u>10,250,490</u>   |                    | <u>9,025,438</u>    |

The financial statements were approved by the board of directors and authorised for issue on 23 August 2022 and are signed on its behalf by:

Ms A Beresford  
Director

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE)

### COMPANY BALANCE SHEET

AS AT 31 MARCH 2022

|  | Notes | 2022<br>£      | £                | 2021<br>£      | £                |
|--|-------|----------------|------------------|----------------|------------------|
| <b>Fixed assets</b>  |       |                |                  |                |                  |
| Intangible assets  | 12    |                | 81,416           |                | 114,978          |
| Tangible assets  | 13    |                | 2,897,889        |                | 2,983,476        |
| Investments  | 14    |                | 449,316          |                | 409,876          |
|  |       |                | <u>3,428,621</u> |                | <u>3,508,330</u> |
| <b>Current assets</b>  |       |                |                  |                |                  |
| Debtors  | 16    | 529,004        |                  | 487,768        |                  |
| Cash at bank and in hand                                       |       | 247,549        |                  | 386,882        |                  |
|  |       | <u>776,553</u> |                  | <u>874,650</u> |                  |
| <b>Creditors: amounts falling due within one year</b>          | 17    | (1,110,037)    |                  | (1,108,860)    |                  |
| <b>Net current liabilities</b>                                 |       |                | <u>(333,484)</u> |                | <u>(234,210)</u> |
| <b>Total assets less current liabilities</b>                   |       |                | <u>3,095,137</u> |                | <u>3,274,120</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 18    |                | (2,030,534)      |                | (2,130,705)      |
| <b>Provisions for liabilities</b>                              |       |                |                  |                |                  |
| Deferred tax liability   | 21    | 38,000         |                  | 47,000         |                  |
|  |       | <u>38,000</u>  | <u>(38,000)</u>  | <u>47,000</u>  | <u>(47,000)</u>  |
| <b>Net assets</b>  |       |                | <u>1,026,603</u> |                | <u>1,096,415</u> |
| <b>Capital and reserves</b>                                    |       |                |                  |                |                  |
| General profit and loss reserve                                |       |                | 1,026,603        |                | 1,096,415        |
| <b>Total equity</b>  |       |                | <u>1,026,603</u> |                | <u>1,096,415</u> |

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £69,812 (2021 - £117,310 ).

The financial statements were approved by the board of directors and authorised for issue on 23 August 2022 and are signed on its behalf by:

Ms A Beresford  
Director

Company Registration No. 00054940



# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE)

### GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

|  | Notes | Other reserves<br>£ | Perpetuity reserve<br>£ | General profit and loss reserve<br>£ | Total<br>£ |
|--|-------|---------------------|-------------------------|--------------------------------------|------------|
| <b>Balance at 1 April 2020</b>                     |       | 7,432,402           | -                       | 1,835,050                            | 9,267,452  |
| <b>Year ended 31 March 2021:</b>                   |       |                     |                         |                                      |            |
| Profit and total comprehensive income for the year |       | -                   | -                       | 406,960                              | 406,960    |
| Other movements                                    |       | (648,974)           | -                       | -                                    | (648,974)  |
| <b>Balance at 31 March 2021</b>                    |       | 6,783,428           | -                       | 2,242,010                            | 9,025,438  |
| <b>Year ended 31 March 2022:</b>                   |       |                     |                         |                                      |            |
| Profit and total comprehensive income for the year |       | -                   | -                       | 282,422                              | 282,422    |
| Transfers  | 1.18  | -                   | 56,515                  | (56,515)                             | -          |
| Grant receipts                                     |       | 1,244,298           | -                       | -                                    | 1,244,298  |
| Other movements                                    | 1.17  | (301,668)           | -                       | -                                    | (301,668)  |
| <b>Balance at 31 March 2022</b>                    |       | 7,726,058           | 56,515                  | 2,467,917                            | 10,250,490 |

# **WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY**

## **(A COMPANY LIMITED BY GUARANTEE) COMPANY STATEMENT OF CHANGES IN EQUITY**

***FOR THE YEAR ENDED 31 MARCH 2022***

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|  | <b>General profit<br/>and loss<br/>reserve<br/>£</b> |
|--|--|
| <b>Balance at 1 April 2020</b>                     | <b>979,105</b>                                       |
|  | <hr/>  |
| <b>Year ended 31 March 2021:</b>                   |  |
| Profit and total comprehensive income for the year | 117,310  |
|  | <hr/>  |
| <b>Balance at 31 March 2021</b>                    | <b>1,096,415</b>                                     |
|  | <hr/>  |
| <b>Year ended 31 March 2022:</b>                   |  |
| Loss and total comprehensive income for the year   | (69,812)   |
|  | <hr/>  |
| <b>Balance at 31 March 2022</b>                    | <b>1,026,603</b>                                     |
|  | <hr/> <hr/>  |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE)

### GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

|  | Notes | 2022<br>£        | £ | 2021<br>£          | £ |
|--|-------|------------------|---|--------------------|---|
| <b>Cash flows from operating activities</b>                |       |                  |   |                    |   |
| Cash generated from/(absorbed by) operations               | 29    |                  |   |                    |   |
|  |       | 4,472,260        |   | (4,481,447)        |   |
| Interest paid  |       | (446,842)        |   | (410,249)          |   |
| Income taxes (paid)/refunded                               |       | (71,097)         |   | 68,168             |   |
| <b>Net cash inflow/(outflow) from operating activities</b> |       | <b>3,954,321</b> |   | <b>(4,823,528)</b> |   |
| <b>Investing activities</b>                                |       |                  |   |                    |   |
| Purchase of intangible assets                              |       | (26,692)         |   | (29,068)           |   |
| Purchase of tangible fixed assets                          |       | (71,940)         |   | (74,639)           |   |
| Proceeds on disposal of tangible fixed assets              |       | 2,774            |   | 4,170              |   |
| Purchase of fixed asset investments                        |       | (10,079)         |   | (111,324)          |   |
| Proceeds on disposal of investments                        |       | 3,071            |   | 104,663            |   |
| Interest received  |       | 1,121            |   | 1,989              |   |
| Dividends received   |       | 10,078           |   | 9,145              |   |
| <b>Net cash used in investing activities</b>               |       | <b>(91,667)</b>  |   | <b>(95,064)</b>    |   |
| <b>Financing activities</b>                                |       |                  |   |                    |   |
| Proceeds from borrowings                                   |       | 900,000          |   | 2,500,000          |   |
| Repayment of borrowings                                    |       | (2,150,000)      |   | (61,097)           |   |
| Proceeds of new bank loans                                 |       | 4,360,000        |   | 4,950,000          |   |
| Repayment of bank loans                                    |       | (2,677,389)      |   | (1,480,438)        |   |
| Payment of finance leases obligations                      |       | (7,135)          |   | (12,215)           |   |
| <b>Net cash generated from financing activities</b>        |       | <b>425,476</b>   |   | <b>5,896,250</b>   |   |
| <b>Net increase in cash and cash equivalents</b>           |       | <b>4,288,130</b> |   | <b>977,658</b>     |   |
| Cash and cash equivalents at beginning of year             |       | 2,766,521        |   | 1,788,863          |   |
| <b>Cash and cash equivalents at end of year</b>            |       | <b>7,054,651</b> |   | <b>2,766,521</b>   |   |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

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#### **1 Accounting policies**

##### **Company information**

West and North Yorkshire Chamber of Commerce and Industry is a private company limited by guarantee incorporated in England and Wales. The registered office is Devere House, Vicar Lane, Little Germany, Bradford, BD1 5AH.

The group consists of West and North Yorkshire Chamber of Commerce and Industry and all of its subsidiaries.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the requirements of the Companies Act 2006.

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.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Certain disclosures as permitted by paragraphs 11.42 to 11.48(c) and 12.26 to 12.29A';
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

##### **1.2 Basis of consolidation**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of West and North Yorkshire Chamber of Commerce and Industry and all of its subsidiaries apart from BEF-FFE CIP LLP, which under the Companies Act 2006 section 405, has been excluded from being consolidated on the grounds of materiality. Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### 1.3 Going concern

The directors have considered all factors, including in the wider economy, as part of their assessment of going concern. Although the current economic climate creates both cash flow and profitability risks for the group, the group has remained profitable throughout the pandemic.

The directors regularly monitor the financial position of the group and the wider economic environment. There is a heightened risk of bad debts as a result of current economic pressures, however, the group benefits from guarantees on loans advanced through both the Enterprise Finance Guarantee Scheme ("EFGS"), a Government scheme which effectively underwrites 75% of loans, the Coronavirus Business Interruption Loan Scheme ("CBILS"), a Government scheme which effectively underwrites 80% of loans, and the Recovery Loan Scheme (RLS 1 & 2) operating on an 80% and 70% cap respectively. The group has continued to review and update its bad debt provisioning to ensure there is an appropriate provision in existence for loans in default or at risk of default.

The group continues to be profitable and budgets and cash flow projections indicate continued profitability and positive cash flows. The group's capital is provided through both public and commercial sources and a significant proportion of loans are guaranteed by Government under EFGS, CBILS and RLS and will continue to be so for the next financial period.

Additionally, during the year, BEF became the beneficiary of a Regional EU legacy fund originally contracted to Partnership Investment Finance Ltd, totalling £2.9m. The additional cash, provided for the benefit of the region's SMEs, will not only allow increased lending in the region, it may also be used to lever in further borrowing for that purpose.

Given the above and post year end trading performance, at the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and not less than one year from the date of approval. Accordingly, the financial statements have been prepared on a going concern basis.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies (Continued)

#### 1.4 Turnover

Income comprises of annual membership fees, provision of services to customers, rental income, contract income, interest and fees chargeable in respect of the provision of loan finance to customers, and profits due from managing the group's associates. Income is shown net of value added taxes and is recognised as follows:

Membership fees are recognised across the period of membership.

Service income is recognised when the services have been performed.

Contract income is recognised when the underlying conditions of the contract are met and income is deemed to be receivable.

Rental income is included within the financial statements as it becomes receivable.

Income from interest and fees is calculated in line with the underlying agreement and recognised on an accruals basis.

#### 1.5 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:

|          |                         |
|----------|-------------------------|
| Software | 20% - 33% straight line |
|----------|-------------------------|

#### 1.6 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:

|                             |                          |
|-----------------------------|--------------------------|
| Freehold land and buildings | 2% - 4% straight line    |
| Fixtures and fittings       | 10% - 100% straight line |

Freehold land is not depreciated.

Whilst rental income is earned from a number of the properties, they have been classified as tangible fixed assets rather than investment properties. The primary purpose of the properties, which are subject to restrictions on use, is to offer affordable office space for the benefit of local businesses and their development and growth, which is closely linked with the primary trade of the group.

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 recognised in the profit and loss account.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments (other than investments in subsidiaries) are stated at market value at the balance sheet date.

The investment portfolio, see note 14, is held to generate returns and gains for the group and accordingly is designated as fair value through profit and loss ("FVTPL"). Under this designation the portfolio is revalued at each period end to its fair value, as determined by reference to quoted market prices and values determined by independent fund managers, with any gains or losses going through the statement of financial activity.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.9 Cash and cash equivalents

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.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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 group after deducting all of its liabilities.



# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, 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.

#### **Other financial liabilities**

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.11 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 group'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 if, and only if, there is 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.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.12 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.

#### 1.13 Retirement benefits

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

#### 1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

#### 1.15 Government grants

Government grants received for the purpose of providing loans in accordance with the company's principal activity are either credited to a deferral account or included within other loans and released to a Funding Reserve upon the fulfilment of various conditions relating to the grant.

Government grants relating to delivery of services or expenditure are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

#### 1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### 1.17 Other reserves - Funding reserve

Funding provided under Government/EU backed business support initiatives for the purpose of providing loans to individuals and businesses who would otherwise be excluded from mainstream finance is credited to the balance sheet according to conditions attaching to the funding. Where funding has long term restrictions in its use and the probability of clawback by the funder is considered remote it is credited to a funding reserve, otherwise funding is credited to a deferred income account within other loans.

Where loans have been made using this funding any losses arising are charged to the funding reserve or deferred income account as appropriate.

Amounts held within the funding reserve and deferred income account are retained until such time as all terms and conditions of the funding have been met. They are then released and accounted for as described in note 1.18.

#### 1.18 Profit and loss reserve - Perpetuity reserve

Business & Enterprise Finance Limited makes use of a perpetuity reserve. Once conditions relating to funds held within the funding reserve have been met and they become legally free to use, they are reported as grant income (within other operating income). Given the original source of these funds, the directors consider they should not be regarded as free/general profit and loss reserves and, accordingly, an equivalent amount, net of any associated corporation tax, should be separately reported within a perpetuity reserve. This reserve is held to fund further lending to regional SMEs. Any bad debts arising from lending from these funds is also charged to the perpetuity reserve.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Recognition of bad debts

Part of the group's trade is the provision of finance to organisations who are largely unable to obtain finance from alternative sources. Consequently there is an increased risk of debts becoming irrecoverable. The group's policy on loan receivables is to pursue all available methods to recover the balance outstanding. Once all methods have been exhausted, the balance is written off in full to the profit and loss account or taken to the funding reserve or perpetuity reserve as detailed at notes 1.17 and 1.18. A detailed layered review approach has been adopted for provisioning, considering payment profiles, security held (including government underwriting on certain loans), industry/sector information and financial information of the debtor. If at this stage there is no evidence of recoverability, the loan is provided to the extent it is unsecured.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

|   | 2022<br>£        | 2021<br>£        |
|---|------------------|------------------|
| <b>Turnover analysed by class of business</b> |                  |                  |
| Commission and other fees                     | 581,113          | 482,694          |
| Interest from loans                           | 1,831,409        | 1,779,258        |
| Business services                             | 1,310,726        | 1,295,073        |
| Sales and marketing                           | 734,926          | 601,248          |
| International                                 | 865,717          | 922,512          |
| Rental income                                 | 815,802          | 689,284          |
| Policy and representation                     | 38,240           | 22,794           |
| Other income                                  | 54,351           | 28,242           |
|   | <u>6,232,284</u> | <u>5,821,105</u> |

|                                  | 2022<br>£ | 2021<br>£ |
|----------------------------------|-----------|-----------|
| <b>Other significant revenue</b> |           |           |
| Reversal of previous impairment  | 41,798    | 247,650   |
| Grants received                  | 81,357    | 246,405   |
|                                  | <u></u>   | <u></u>   |

|   | 2022<br>£        | 2021<br>£        |
|---|------------------|------------------|
| <b>Turnover analysed by geographical market</b> |                  |                  |
| United Kingdom                                  | <u>6,232,284</u> | <u>5,821,105</u> |

### 4 Operating profit

|   | 2022<br>£     | 2021<br>£     |
|---|---------------|---------------|
| Operating profit for the year is stated after charging/(crediting): |               |               |
| Government grants   | (81,357)      | (246,405)     |
| Depreciation of owned tangible fixed assets                         | 175,310       | 167,579       |
| Depreciation of tangible fixed assets held under finance leases     | 1,948         | 6,094         |
| Reversal of past impairment of tangible fixed assets                | -             | (41,798)      |
| Profit on disposal of tangible fixed assets                         | (2,466)       | -             |
| Amortisation of intangible assets                                   | <u>75,412</u> | <u>71,501</u> |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 5 Auditor's remuneration

|   | 2022          | 2021          |
|---|---------------|---------------|
|   | £             | £             |
| Fees payable to the company's auditor and associates:           |               |               |
| <b>For audit services</b>                                       |               |               |
| Audit of the financial statements of the group and company      | 8,750         | 7,800         |
| Audit of the financial statements of the company's subsidiaries | 19,455        | 16,700        |
|   | <u>28,205</u> | <u>24,500</u> |

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

|                            | Group<br>2022<br>Number | 2021<br>Number | Company<br>2022<br>Number | 2021<br>Number |
|----------------------------|-------------------------|----------------|---------------------------|----------------|
| Administration and support | 74                      | 76             | 52                        | 57             |
| Executive directors        | 4                       | 3              | 1                         | 1              |
| Non-executive directors    | 17                      | 19             | 14                        | 13             |
| Total                      | <u>95</u>               | <u>98</u>      | <u>67</u>                 | <u>71</u>      |

Their aggregate remuneration comprised:

|                       | Group<br>2022<br>£ | 2021<br>£        | Company<br>2022<br>£ | 2021<br>£        |
|-----------------------|--------------------|------------------|----------------------|------------------|
| Wages and salaries    | 2,446,777          | 2,410,692        | 1,501,160            | 1,503,958        |
| Social security costs | 235,073            | 221,038          | 141,814              | 133,300          |
| Pension costs         | 255,657            | 249,380          | 213,078              | 210,656          |
|                       | <u>2,937,507</u>   | <u>2,881,110</u> | <u>1,856,052</u>     | <u>1,847,914</u> |

The group employee numbers for executive and non-executive directors include directors of subsidiaries.

### 7 Directors' remuneration

|   | 2022<br>£      | 2021<br>£      |
|---|----------------|----------------|
| Remuneration for qualifying services                          | 81,774         | 77,144         |
| Company pension contributions to defined contribution schemes | 40,000         | 40,000         |
|   | <u>121,774</u> | <u>117,144</u> |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

|    |   |                    |             |
|----|---|--------------------|-------------|
| 7  | <b>Directors' remuneration</b>  | <b>(Continued)</b> |             |
|    | The number of directors accruing pension benefits amounted to 1 (2021 - 1).   |                    |             |
| 8  | <b>Interest receivable and similar income</b>                                 |                    |             |
|    |   | <b>2022</b>        | <b>2021</b> |
|    |   | <b>£</b>           | <b>£</b>    |
|    | <b>Interest income</b>  |                    |             |
|    | Interest on bank deposits   | 1,121              | 1,989       |
|    | <b>Other income from investments</b>  |                    |             |
|    | Dividends received  | 10,078             | 9,145       |
|    | Total income  | 11,199             | 11,134      |
|    | Investment income includes the following:                                     |                    |             |
|    | Dividends from financial assets measured at fair value through profit or loss | 10,078             | 9,145       |
| 9  | <b>Interest payable and similar expenses</b>                                  |                    |             |
|    |   | <b>2022</b>        | <b>2021</b> |
|    |   | <b>£</b>           | <b>£</b>    |
|    | Interest on bank overdrafts and loans   | 406,800            | 357,527     |
|    | Other interest on financial liabilities                                       | 40,042             | 51,159      |
|    | Other interest  | -                  | 1,563       |
|    | Total finance costs   | 446,842            | 410,249     |
| 10 | <b>Amounts written off investments</b>  |                    |             |
|    |   | <b>2022</b>        | <b>2021</b> |
|    |   | <b>£</b>           | <b>£</b>    |
|    | <b>Fair value gains/(losses) on financial instruments</b>                     |                    |             |
|    | Gain on financial assets held at fair value through profit or loss            | 31,888             | 75,567      |
|    | <b>Other gains/(losses)</b>   |                    |             |
|    | Gain on disposal of current asset investments                                 | 544                | 21,720      |
|    |   | 32,432             | 97,287      |
| 11 | <b>Taxation</b>   |                    |             |
|    |   | <b>2022</b>        | <b>2021</b> |
|    |   | <b>£</b>           | <b>£</b>    |
|    | <b>Current tax</b>  |                    |             |
|    | UK corporation tax on profits for the current period                          | 68,000             | 92,000      |
|    | Adjustments in respect of prior periods                                       | (45,245)           | (8,792)     |
|    | Total current tax   | 22,755             | 83,208      |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

| 11 | Taxation                                       | (Continued)       |                   |
|----|--|-------------------|-------------------|
|    |  | 2022<br>£         | 2021<br>£         |
|    | <b>Deferred tax</b>                            |                   |                   |
|    | Origination and reversal of timing differences | (9,000)           | (33,100)          |
|    |  | <u>          </u> | <u>          </u> |
|    | Total tax charge                               | 13,755            | 50,108            |
|    |  | <u>          </u> | <u>          </u> |

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

|  | 2022<br>£         | 2021<br>£         |
|--|-------------------|-------------------|
| Profit before taxation   | 296,177           | 457,068           |
|  | <u>          </u> | <u>          </u> |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%) | 56,274            | 86,843            |
| Tax effect of expenses that are not deductible in determining taxable profit                         | 1,673             | -                 |
| Tax effect of income not taxable in determining taxable profit                                       | (6,635)           | (5,821)           |
| Tax effect of utilisation of tax losses not previously recognised                                    | (4,318)           | (38,000)          |
| Change in unrecognised deferred tax assets   | 3,000             | -                 |
| Depreciation on assets not qualifying for tax allowances   | -                 | 10,964            |
| Amortisation on assets not qualifying for tax allowances   | -                 | 2,814             |
| Research and development tax credit  | (44,874)          | (9,978)           |
| Under/(over) provided in prior years   | (371)             | -                 |
| Other  | 9,006             | 3,286             |
|  | <u>          </u> | <u>          </u> |
| Taxation charge  | 13,755            | 50,108            |
|  | <u>          </u> | <u>          </u> |

## 12 Intangible fixed assets

| Group                              | Goodwill<br>£     | Software<br>£     | Total<br>£        |
|------------------------------------|-------------------|-------------------|-------------------|
| <b>Cost</b>                        |                   |                   |                   |
| At 1 April 2021                    | (541,506)         | 312,145           | (229,361)         |
| Additions                          | -                 | 26,692            | 26,692            |
|                                    | <u>          </u> | <u>          </u> | <u>          </u> |
| At 31 March 2022                   | (541,506)         | 338,837           | (202,669)         |
|                                    | <u>          </u> | <u>          </u> | <u>          </u> |
| <b>Amortisation and impairment</b> |                   |                   |                   |
| At 1 April 2021                    | (541,506)         | 142,673           | (398,833)         |
| Amortisation charged for the year  | -                 | 75,412            | 75,412            |
|                                    | <u>          </u> | <u>          </u> | <u>          </u> |
| At 31 March 2022                   | (541,506)         | 218,085           | (323,421)         |
|                                    | <u>          </u> | <u>          </u> | <u>          </u> |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

| 12 | Intangible fixed assets            | (Continued)     |                 |              |
|----|------------------------------------|-----------------|-----------------|--------------|
|    | <b>Carrying amount</b>             |                 |                 |              |
|    | At 31 March 2022                   | -               | 120,752         | 120,752      |
|    |                                    |                 |                 |              |
|    | At 31 March 2021                   | -               | 169,472         | 169,472      |
|    |                                    |                 |                 |              |
|    | <b>Company</b>                     | <b>Goodwill</b> | <b>Software</b> | <b>Total</b> |
|    |                                    | £               | £               | £            |
|    | <b>Cost</b>                        |                 |                 |              |
|    | At 1 April 2021                    | 181,025         | 229,324         | 410,349      |
|    | Additions                          | -               | 23,415          | 23,415       |
|    |                                    |                 |                 |              |
|    | At 31 March 2022                   | 181,025         | 252,739         | 433,764      |
|    |                                    |                 |                 |              |
|    | <b>Amortisation and impairment</b> |                 |                 |              |
|    | At 1 April 2021                    | 181,025         | 114,346         | 295,371      |
|    | Amortisation charged for the year  | -               | 56,977          | 56,977       |
|    |                                    |                 |                 |              |
|    | At 31 March 2022                   | 181,025         | 171,323         | 352,348      |
|    |                                    |                 |                 |              |
|    | <b>Carrying amount</b>             |                 |                 |              |
|    | At 31 March 2022                   | -               | 81,416          | 81,416       |
|    |                                    |                 |                 |              |
|    | At 31 March 2021                   | -               | 114,978         | 114,978      |
|    |                                    |                 |                 |              |



# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 13 Tangible fixed assets

| Group                              | Freehold land<br>and buildings<br>£ | Fixtures and<br>fittings<br>£ | Total<br>£ |
|------------------------------------|-------------------------------------|-------------------------------|------------|
| <b>Cost</b>                        |                                     |                               |            |
| At 1 April 2021                    | 7,250,506                           | 833,663                       | 8,084,169  |
| Additions                          | 28,777                              | 43,163                        | 71,940     |
| Disposals                          | -                                   | (75,415)                      | (75,415)   |
| At 31 March 2022                   | 7,279,283                           | 801,411                       | 8,080,694  |
| <b>Depreciation and impairment</b> |                                     |                               |            |
| At 1 April 2021                    | 3,409,716                           | 697,026                       | 4,106,742  |
| Depreciation charged in the year   | 121,696                             | 55,562                        | 177,258    |
| Eliminated in respect of disposals | -                                   | (75,107)                      | (75,107)   |
| At 31 March 2022                   | 3,531,412                           | 677,481                       | 4,208,893  |
| <b>Carrying amount</b>             |                                     |                               |            |
| At 31 March 2022                   | 3,747,871                           | 123,930                       | 3,871,801  |
| At 31 March 2021                   | 3,840,790                           | 136,637                       | 3,977,427  |
| <b>Company</b>                     |                                     |                               |            |
| <b>Cost</b>                        |                                     |                               |            |
| At 1 April 2021                    | 5,201,077                           | 566,566                       | 5,767,643  |
| Additions                          | 28,777                              | 36,008                        | 64,785     |
| Disposals                          | -                                   | (72,641)                      | (72,641)   |
| At 31 March 2022                   | 5,229,854                           | 529,933                       | 5,759,787  |
| <b>Depreciation and impairment</b> |                                     |                               |            |
| At 1 April 2021                    | 2,310,287                           | 473,880                       | 2,784,167  |
| Depreciation charged in the year   | 117,407                             | 32,965                        | 150,372    |
| Eliminated in respect of disposals | -                                   | (72,641)                      | (72,641)   |
| At 31 March 2022                   | 2,427,694                           | 434,204                       | 2,861,898  |
| <b>Carrying amount</b>             |                                     |                               |            |
| At 31 March 2022                   | 2,802,160                           | 95,729                        | 2,897,889  |
| At 31 March 2021                   | 2,890,790                           | 92,686                        | 2,983,476  |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 13 Tangible fixed assets

(Continued)

The carrying value of land and buildings comprises the following amount in respect of land, which is not depreciated:

|          | Group<br>2022<br>£ | 2021<br>£ | Company<br>2022<br>£ | 2021<br>£ |
|----------|--------------------|-----------|----------------------|-----------|
| Freehold | 930,705            | 930,705   | 750,000              | 750,000   |

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

|                       | Group<br>2022<br>£ | 2021<br>£ | Company<br>2022<br>£ | 2021<br>£ |
|-----------------------|--------------------|-----------|----------------------|-----------|
| Fixtures and fittings | 24,346             | 27,586    | 24,346               | 27,586    |

### 14 Fixed asset investments

|   | Notes | Group<br>2022<br>£ | 2021<br>£ | Company<br>2022<br>£ | 2021<br>£ |
|---|-------|--------------------|-----------|----------------------|-----------|
| Investments in subsidiaries               | 26    | -                  | -         | 2                    | 2         |
| Listed investments                        |       | 449,314            | 409,874   | 449,314              | 409,874   |
|   |       | 449,314            | 409,874   | 449,316              | 409,876   |
| <b>Listed investments included above:</b> |       |                    |           |                      |           |
| Listed investments carrying amount        |       | 449,314            | 409,874   | 449,314              | 409,874   |

The company's investment portfolio is managed by professional investment managers in accordance with a general investment policy set by the board.

The aggregate historical cost of the listed investments, which are measured at fair value, was £361,459 (2021 - £353,800).

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 14 Fixed asset investments (Continued)

#### Movements in fixed asset investments Group

Listed  
investments  
£

#### Cost or valuation

|                   |         |
|-------------------|---------|
| At 1 April 2021   | 409,874 |
| Additions         | 10,079  |
| Valuation changes | 31,888  |
| Disposals         | (2,527) |
| At 31 March 2022  | 449,314 |

#### Carrying amount

|                  |         |
|------------------|---------|
| At 31 March 2022 | 449,314 |
| At 31 March 2021 | 409,874 |

#### Movements in fixed asset investments Company

Shares in group  
undertakings

Listed  
investments

Total

£

£

£

#### Cost or valuation

|                   |   |         |         |
|-------------------|---|---------|---------|
| At 1 April 2021   | 2 | 409,874 | 409,876 |
| Additions         | - | 10,079  | 10,079  |
| Valuation changes | - | 31,888  | 31,888  |
| Disposals         | - | (2,527) | (2,527) |
| At 31 March 2022  | 2 | 449,314 | 449,316 |

#### Carrying amount

|                  |   |         |         |
|------------------|---|---------|---------|
| At 31 March 2022 | 2 | 449,314 | 449,316 |
| At 31 March 2021 | 2 | 409,874 | 409,876 |

### 15 Financial instruments

Group  
2022

2021

Company  
2022

2021

£

£

£

£

#### Carrying amount of financial assets

|   |         |         |         |         |
|---|---------|---------|---------|---------|
| Instruments measured at fair value through profit or loss | 449,314 | 409,874 | 449,314 | 409,874 |
|---|---------|---------|---------|---------|

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 16 Debtors

|  | Group<br>2022     | 2021              | Company<br>2022 | 2021           |
|--|-------------------|-------------------|-----------------|----------------|
|  | £                 | £                 | £               | £              |
| <b>Amounts falling due within one year:</b>                                    |                   |                   |                 |                |
| Trade debtors  | 387,268           | 933,794           | 330,383         | 245,164        |
| Corporation tax recoverable  | -                 | 4,000             | -               | -              |
| Amounts owed by undertakings in which the company has a participating interest | -                 | 18,342            | -               | -              |
| Other debtors  | 4,120,897         | 3,918,125         | 1,126           | 2,095          |
| Prepayments and accrued income   | 232,510           | 257,678           | 197,495         | 240,509        |
|  | <u>4,740,675</u>  | <u>5,131,939</u>  | <u>529,004</u>  | <u>487,768</u> |
| <b>Amounts falling due after more than one year:</b>                           |                   |                   |                 |                |
| Other debtors  | <u>10,992,748</u> | <u>11,818,404</u> | <u>-</u>        | <u>-</u>       |
| <b>Total debtors</b>   | <u>15,733,423</u> | <u>16,950,343</u> | <u>529,004</u>  | <u>487,768</u> |

Other debtors include £14,494,806 (2021 - £14,995,745) of loans made on a commercial basis. These loans have been recognised net of unearned interest on the basis that borrowers can repay their funding early, with no financial penalty being incurred.

The loans included within other debtors are net of bad debt provisions totalling £1,477,347 (2021 - £1,223,102).

### 17 Creditors: amounts falling due within one year

|  |       | Group<br>2022    | 2021             | Company<br>2022  | 2021             |
|--|-------|------------------|------------------|------------------|------------------|
|  | Notes | £                | £                | £                | £                |
| Bank loans   | 19    | 2,140,353        | 508,902          | 105,908          | 108,906          |
| Obligations under finance leases   | 20    | 5,843            | 7,135            | 5,843            | 7,135            |
| Other borrowings   | 19    | 1,500,000        | 750,000          | -                | -                |
| Trade creditors  |       | 215,141          | 180,388          | 167,496          | 144,922          |
| Amounts owed to undertakings in which the group has a participating interest |       | 23,474           | -                | -                | -                |
| Corporation tax payable  |       | 68,000           | 120,342          | -                | 10,660           |
| Other taxation and social security   |       | 96,414           | 117,771          | 94,660           | 115,817          |
| Other creditors  |       | 290,355          | 616,623          | 99,903           | 108,326          |
| Accruals and deferred income   |       | 825,170          | 672,647          | 636,227          | 613,094          |
|  |       | <u>5,164,750</u> | <u>2,973,808</u> | <u>1,110,037</u> | <u>1,108,860</u> |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 18 Creditors: amounts falling due after more than one year

|                                    |       | Group<br>2022     | 2021              | Company<br>2022  | 2021             |
|------------------------------------|-------|-------------------|-------------------|------------------|------------------|
|                                    | Notes | £                 | £                 | £                | £                |
| Bank loans and overdrafts          | 19    | 6,471,907         | 6,420,747         | 979,685          | 1,074,061        |
| Obligations under finance leases   | 20    | 8,765             | 14,608            | 8,765            | 14,608           |
| Other borrowings                   | 19    | 3,000,000         | 5,000,000         | -                | -                |
| Amounts owed to group undertakings |       | -                 | -                 | 250,000          | 250,000          |
| Government grants                  |       | 592,084           | 592,036           | 592,084          | 592,036          |
| Other creditors                    |       | 1,703,945         | 200,000           | 200,000          | 200,000          |
|                                    |       | <u>11,776,701</u> | <u>12,227,391</u> | <u>2,030,534</u> | <u>2,130,705</u> |

Included within other creditors is £200,000 (2021 - £200,000) which is secured on land held by the company. Other creditors also includes £1,503,945 (2021 - £nil) of deferred grant in relation to ERDF legacy funding received from Partnership Investment Finance Limited.

Amounts included above which fall due after five years are as follows:

|                                   |                |                |                |                |
|-----------------------------------|----------------|----------------|----------------|----------------|
| Payable by instalments            | 498,084        | 630,006        | 498,084        | 530,006        |
| Payable other than by instalments | -              | -              | 250,000        | 250,000        |
|                                   | <u>498,084</u> | <u>630,006</u> | <u>748,084</u> | <u>780,006</u> |

### 19 Loans and overdrafts

|                         | Group<br>2022     | 2021              | Company<br>2022  | 2021             |
|-------------------------|-------------------|-------------------|------------------|------------------|
|                         | £                 | £                 | £                | £                |
| Bank loans              | 8,612,260         | 6,929,649         | 1,085,593        | 1,182,967        |
| Other loans             | 4,500,000         | 5,750,000         | -                | -                |
|                         | <u>13,112,260</u> | <u>12,679,649</u> | <u>1,085,593</u> | <u>1,182,967</u> |
| Payable within one year | 3,640,353         | 1,258,902         | 105,908          | 108,906          |
| Payable after one year  | 9,471,907         | 11,420,747        | 979,685          | 1,074,061        |

The group has a number of bank and other loans with varying commercial interest rates, which are repayable over varying periods up to March 2039.

Freehold land and buildings have been pledged to secure borrowings of the group. Further charges against the loan debtor book have also been provided as security.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 20 Finance lease obligations

|   | Group<br>2022<br>£ | 2021<br>£     | Company<br>2022<br>£ | 2021<br>£     |
|---|--------------------|---------------|----------------------|---------------|
| Future minimum lease payments due under finance leases: |                    |               |                      |               |
| Within one year   | 5,843              | 7,135         | 5,843                | 7,135         |
| In two to five years                                    | 8,765              | 14,608        | 8,765                | 14,608        |
|   | <u>14,608</u>      | <u>21,743</u> | <u>14,608</u>        | <u>21,743</u> |

Amounts due under finance leases are secured against the assets to which they relate.

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average remaining lease term is 2 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

### 21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

|                                | Liabilities<br>2022<br>£ | Liabilities<br>2021<br>£ |
|--------------------------------|--------------------------|--------------------------|
| <b>Group</b>                   |                          |                          |
| Accelerated capital allowances | 76,000                   | 33,000                   |
| Tax losses                     | (58,000)                 | -                        |
| Investments                    | 20,000                   | 14,000                   |
|                                | <u>38,000</u>            | <u>47,000</u>            |
|                                | <u>38,000</u>            | <u>47,000</u>            |
|                                |                          |                          |
|                                | Liabilities<br>2022<br>£ | Liabilities<br>2021<br>£ |
| <b>Company</b>                 |                          |                          |
| Accelerated capital allowances | 76,000                   | 33,000                   |
| Tax losses                     | (58,000)                 | -                        |
| Investments                    | 20,000                   | 14,000                   |
|                                | <u>38,000</u>            | <u>47,000</u>            |
|                                | <u>38,000</u>            | <u>47,000</u>            |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

| 21 Deferred taxation          |                    | (Continued)          |  |
|-------------------------------|--------------------|----------------------|--|
|                               | Group<br>2022<br>£ | Company<br>2022<br>£ |  |
| <b>Movements in the year:</b> |                    |                      |  |
| Liability at 1 April 2021     | 47,000             | 47,000               |  |
| Credit to profit or loss      | (9,000)            | (9,000)              |  |
| Liability at 31 March 2022    | 38,000             | 38,000               |  |

| 22 Retirement benefit schemes                                       |  | 2022<br>£ | 2021<br>£ |
|---|--|-----------|-----------|
| <b>Defined contribution schemes</b>                                 |  |           |           |
| Charge to profit or loss in respect of defined contribution schemes |  | 255,657   | 249,380   |

Defined contribution pension schemes are operated for all qualifying employees. The assets of the schemes are held separately from those of the group in independently administered funds.

### 23 Related party transactions

#### Transactions with related parties

During the year, the group received a profit share of £187,595 (2021 - £108,000) as income, in line with the profit share agreement with its associate, as disclosed in note 28 to the financial statements.

The following amounts were outstanding at the reporting end date:

| Amounts due to related parties  | 2022<br>£ | 2021<br>£ |
|---|-----------|-----------|
| <b>Company</b>  |           |           |
| Entities over which the company has control, joint control or significant influence | 250,000   | 250,000   |

### 24 Financial commitments, guarantees and contingent liabilities

The company is guarantor for up to £1 for its subsidiary, Business & Enterprise Finance Limited.

Business & Enterprise Finance Limited is guarantor for up to £1 each for three of its subsidiaries, Business & Enterprise Finance (NE) Limited, Goole Development Trust and BEF-NPIF GP Limited.

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 25 Operating lease commitments

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

|                            | Group<br>2022<br>£ | 2021<br>£      | Company<br>2022<br>£ | 2021<br>£      |
|----------------------------|--------------------|----------------|----------------------|----------------|
| Within one year            | 47,547             | 57,268         | 44,126               | 57,268         |
| Between two and five years | 119,334            | 58,192         | 119,334              | 58,192         |
|                            | <u>166,881</u>     | <u>115,460</u> | <u>163,460</u>       | <u>115,460</u> |

### 26 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

| Name of undertaking                    | Registered office | Nature of business                                   | Class of shares held         | % Held<br>Direct Indirect |        |
|--|-------------------|--|------------------------------|---------------------------|--------|
| BEF-FFE CIP LLP                        | England and Wales | Special purpose vehicle to carry investment interest | Partner                      | 0                         | 50.00  |
| BEF-NPIF GP Limited                    | England and Wales | Managing partner of an AIF                           | Company limited by guarantee | 0                         | 100.00 |
| Business & Enterprise Finance (NE) Ltd | England and Wales | Provision of loans                                   | Company limited by guarantee | 0                         | 100.00 |
| Business & Enterprise Finance Ltd      | England and Wales | Provision of loans                                   | Company limited by guarantee | 100.00                    | -      |
| Commerce Court Limited                 | England and Wales | Dormant  | Ordinary shares              | 100.00                    | -      |
| Goole Development Trust                | England and Wales | Provision of loans                                   | Company limited by guarantee | 0                         | 100.00 |
| BEF BSC Limited                        | England and Wales | Provision of loans                                   | Ordinary shares              | 0                         | 100.00 |

Under the Companies Act 2006 section 405, the subsidiary undertaking BEF-FFE CIP LLP, has been excluded from the consolidation on grounds of materiality.

The registered office address of Commerce Court Limited is Devere House, Vicar Lane, Little Germany, Bradford, BD1 5AH. For the remaining subsidiaries the registered office address is City Hub, 9-11 Peckover Street, Little Germany, Bradford, BD1 5BD.

### 27 Controlling party

The company has no ultimate controlling party.



# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 28 Associates

Details of associates at 31 March 2022 are as follows:

| Name of undertaking       | Registered office | Nature of business | Class of shares held | % Held |          |
|---------------------------|-------------------|--------------------|----------------------|--------|----------|
|                           |                   |                    |                      | Direct | Indirect |
| NPIF YHTV Microfinance LP | England and Wales | Provision of loans | General Partner      | 0      | 50       |

NPIF YHTV Microfinance LP has not been recognised in the group accounts on the equity method of accounting on the basis that the underlying legal agreements in place clearly identify that the group has no right to the underlying assets of the entity, and that a pre-determined profit share is in place.

On the basis that the investment has £nil cost, that the group has no entitlement to the associate's assets, and the group's share of profits have already been allocated and paid to the group, the associate has not been accounted for as an associate. Under both the historical cost method and the equity method the associate would have £nil value. Profit allocations from the LP are recognised in the group during the year in which those profits arise; this means that the group profit and loss reflects the equity method of accounting despite there being no equity balance attaching directly to this associate.

NPIF YHTV Microfinance LP had a turnover of £796,517 (2021 - £787,975) in the year with a profit of £647,748 (2021 - £600,543) before partnership allocations.

The registered office address is City Hub, 9-11 Peckover Street, Little Germany, Bradford, BD1 5BD.

### 29 Cash generated from/(absorbed by) group operations

|  | 2022<br>£        | 2021<br>£          |
|--|------------------|--------------------|
| Profit for the year after tax                        | 282,422          | 406,960            |
| <b>Adjustments for:</b>                              |                  |                    |
| Taxation charged                                     | 13,755           | 50,108             |
| Finance costs  | 446,842          | 410,249            |
| Investment income                                    | (11,199)         | (11,134)           |
| Gain on disposal of tangible fixed assets            | (2,466)          | -                  |
| Amortisation and impairment of intangible assets     | 75,412           | 71,501             |
| Depreciation and impairment of tangible fixed assets | 177,258          | 131,875            |
| Gain on sale of investments                          | (544)            | (21,720)           |
| Other gains and losses                               | (31,888)         | (75,567)           |
| Funding reserve receipts and movement                | 942,630          | (648,974)          |
| <b>Movements in working capital:</b>                 |                  |                    |
| Decrease/(increase) in debtors                       | 1,212,920        | (4,587,823)        |
| Increase/(decrease) in creditors                     | 1,367,070        | (187,561)          |
| Increase/(decrease) in deferred income               | 48               | (19,361)           |
| <b>Cash generated from/(absorbed by) operations</b>  | <b>4,472,260</b> | <b>(4,481,447)</b> |

# WEST AND NORTH YORKSHIRE CHAMBER OF COMMERCE AND INDUSTRY

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 30 Analysis of changes in net debt - group

|                                  | 1 April 2021<br>£  | Cash flows<br>£  | 31 March 2022<br>£ |
|----------------------------------|--------------------|------------------|--------------------|
| Cash at bank and in hand         | 2,766,521          | 4,288,130        | 7,054,651          |
| Borrowings excluding overdrafts  | (12,679,649)       | (432,611)        | (13,112,260)       |
| Obligations under finance leases | (21,743)           | 7,135            | (14,608)           |
|                                  | <u>(9,934,871)</u> | <u>3,862,654</u> | <u>(6,072,217)</u> |

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.