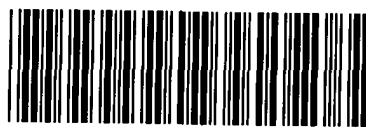


ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2019

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COMPANIES HOUSE

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
COMPANY INFORMATION

Directors

W G Worsley
K E Boullen
P G Darbyshire
M W Jackson
H M James
J Mafi
D G McAreavey
A McMinnis
M M Palin
P R Sanderson
A Smith
S R Spencer
N Start

Secretary

C M Gravener

Company number

02453212

Registered office

St Helens Chamber
Salisbury Street
St Helens
Merseyside
WA10 1FY

Auditor

RSM UK Audit LLP
Chartered Accountants
5th Floor
One City Place
Queens Road
Chester
CH1 3BQ

ST HELENS CHAMBER LIMITED COMPANY LIMITED BY GUARANTEE STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present the strategic report for the year ended 31 March 2019.

Fair review of the business

This year has been a very successful one for the company.

The company is a not for profit organisation. Although profit is not the main objective of the company, we aim to maintain the level of services provided whilst remaining viable with a positive bottom line and adequate reserves.

The statement of comprehensive income on page 10 shows that this year a profit before taxation of £104,012 has been achieved, which represents 2.27% of turnover. This level of retained profits is consistent with the Chamber's policy of investing in the St Helens economy, whilst maintaining adequate reserves.

The success of the company in delivering services to the local economy during the year is illustrated by the following key performance indicators:-

- Total number of Chamber Members was 1,051 at the year end, representing the highest penetration level into the local business community across all Chambers nationally.
- 160 new businesses were created.
- 906 unemployed people have been helped back into employment or further training.
- 1,724 training course places delivered.
- 2,735 attendees at events and seminars.
- 582 Apprentices were in training at the year end.
- 777 Businesses provided with business advice and support, grant funding and Growth Hub assistance.

In October the official opening took place of Clickworks, our new digital hub in the town centre. Clickworks is an interactive and supportive space for people and businesses to improve their digital skills. As well as training and network opportunities, the centre offers a range of facilities and equipment for local businesses to use, including the latest computers and laptops, and cutting edge technology such as 3D printing and virtual reality simulation. Business success depends largely on the skills, knowledge and ability of the workforce. By investing in their employees, supporting them to improve their digital skills and qualifications, local businesses can enhance staff productivity, motivation and morale. For individuals it provides specialist digital advice, guidance and training, and addresses the need to make job applications digitally.

Our Business School brings together the wide range of training, information and staff development which the Chamber offers to local businesses and their staff. Throughout the year we have continued to deliver a wide range of training, most of which was at minimal cost to businesses.

During the year we held two very successful Business Fairs, the largest and best value business to business events in the region. With over 100 businesses exhibiting at each and attracting hundreds of visitors, a diverse range of organisations from across the North West came together to make connections and showcase what their businesses have to offer.

Supported by funding from the Government Equalities Office, in January we launched Reignite Bootcamp to support people who had been out of work for a year or more due to caring responsibilities, and were looking to return to the workforce. At a time when businesses are struggling to recruit skilled workers, we recognised that there is a pool of highly skilled and experienced people who have been out of work for a while, and just need a little support to get back into work.

In April 2017 the Apprenticeship Levy came into effect for employers with a UK payroll of over £3m. During the year we continued to support local companies required to pay the levy to ensure they understood how they could maximise the training opportunities it would provide and gain the most benefit in terms of staff development.

The Apprenticeship Reforms also mean that for businesses who are not liable for the Levy, a co-investment to the cost of Apprenticeships is now required. We have taken this as an opportunity to be flexible with our programmes, tailoring them to business needs and ensuring they received high quality training for their co-investment.

ST HELENS CHAMBER LIMITED COMPANY LIMITED BY GUARANTEE STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The balance sheet on page 11 shows that the company has increased its overall strong reserves position. The company financed its operations in the year with a strong working capital position. The company had no bank loans during the year. A small overdraft facility was utilised when needed. The legal charge on the main Chamber building, in favour of our bankers, remains in place to facilitate funding if it is required.

Principal risks and uncertainties

Overall the future looks positive in the medium-term. The budget for 2019/2020 is strong, predicting a healthy bottom line profit, which will further strengthen our reserves position.

The long-term, as ever, remains more unpredictable. Although our track record of identifying and securing new funding opportunities is strong, the principal risks to the business surround our ability to win and retain contracts for delivery and the ability to scale the organisation accordingly.

The company manages the risk by detailed strategic and operational planning with reviews on a monthly basis. We ensure that we remain flexible and able to react quickly to take advantage of all suitable opportunities on behalf of our Members and the St Helens community.

Development and performance

The economic position continues to present challenges and opportunities for the Chamber. In times of need businesses need to work harder and smarter and communities need more help and support. This puts the Chamber's core services in strong demand. The facilities in the modern premises, including the new digital Clickworks facilities, present a great platform for the Chamber to continue its work and ensure we further develop our approach and become even more relevant to the customers we serve. The services delivered by the Chamber have again been tailored to support businesses and individuals through the difficult economic climate. The ongoing Brexit negotiations present further uncertainties. Over the past few years we have reduced the proportion of our income which is European funding. The Chamber's current European funded projects are secured to 2021.

We will continue to deliver a business support programme, with a focus on job creation. This will include the delivery of grants in St Helens to enable companies to access specialist help to grow their business. We will develop bespoke solutions to ensure local companies are supported to grow and diversify and we have European Regional Development Funding and additional funding from St Helens Council to support this.

We will continue to provide services to enable people to start their own businesses, thus helping to improve both their own prospects and the local economy.

Our Ofsted rating of Good, and in particular our grade of Outstanding for the Personal Development and Welfare Support we offer, continues to provide the opportunity to grow our Apprenticeship delivery, forming new links with businesses as we do so.

As a major provider of training and employment services in the area we are in a strong position and demand for training continues to grow. We will deliver a range of employment initiatives through funding secured from the European Social Fund, the Education & Skills Funding Agency and the Liverpool City Region Combined Authority.

We will work with developers, their end users and large companies/inward investors to ensure that our services contribute to their business growth and support the Local Authority's planned growth objectives for St Helens.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

On behalf of the board

K E Boullen

K E Boullen

Director

Date: *23/7/19*

ST HELENS CHAMBER LIMITED COMPANY LIMITED BY GUARANTEE DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activities of the company during the year were providing services for the Borough of St Helens in the following categories:

Business – we aim to improve business performance by delivering a range of business support which includes intelligence, business advice, grants, networking, winning new business and exporting.

Enterprise – we aim to inspire the entrepreneurs of tomorrow by bringing businesses and schools closer together and we deliver an effective business start-up programme for anyone wishing to set up a new business.

Employment – through our employment arm, Starting Point, we offer help and support to unemployed people to get back into work, and offer help to employers too.

Training – we help to develop the workforce to its full potential by providing bespoke training solutions meeting employers' needs, many of which are free of charge or subsidised.

Directors

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

W G Worsley	
K E Boullen	
A J Bowden	(Resigned 26 March 2019)
G Charlton	(Retired 25 September 2018)
P G Darbyshire	(Appointed 25 September 2018)
J A Downes	(Retired 25 September 2018)
P Forester	(Resigned 22 May 2018)
J O Fulham	(Resigned 15 May 2018)
M W Jackson	(Appointed 25 September 2018)
H M James	
C E Haworth	(Resigned 30 June 2019)
J Mafi	
D G McAreavey	(Appointed 25 September 2018)
A McMinnis	
M M Palin	
P R Sanderson	(Appointed 22 January 2019)
A Smith	
S R Spencer	(Appointed 23 October 2018)
N Start	(Appointed 23 October 2018)
N T Taylor	(Retired 25 September 2018)
K J Wilson	(Resigned 20 September 2018)

ST HELENS CHAMBER LIMITED

COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Results and dividends

The results for the year are set out on page 10.

Internal control

The directors comply with the Combined Code of Best Practice in respect of the company's internal controls as follows:

The Board has overall responsibility for the company's system of financial control, which is designed to provide the Board with reasonable, but not absolute assurance against material misstatement or loss.

The key features of the system are as follows:

1. The overall financial objectives of the company are agreed by the Board, which delegates day to day management responsibilities to the Chief Executive and Senior Management Team who meet fortnightly.
2. The Board control the running of the company through sub groups, authorised by the Board to make operational decisions.
3. The Chamber Remuneration Sub Group considers and approves employee Terms and Conditions, the overall salary budget and senior staff remuneration packages. The membership of the Remuneration Sub Group is:-

W G Worsley
J Mafi
A McMinnis
A Smith
K E Boullen

4. The company has a comprehensive system for reporting financial results and compares monthly results with the budget. These are presented bi-monthly to the Board. Detailed budgets are prepared each year and are reviewed by the Board before being formally adopted. Once a year a forecast of year end performance is considered by the Board.
5. Key procedures and controls are set out in ISO 9001-2015 manuals, and the quality and integrity of personnel is maintained by adherence to the Investors in People standard.
6. The company has a clearly defined framework for the approval of capital expenditure. This includes authorisation limits detailing which proposals require submission to the Chief Executive, the Chairman or the Board: procedures are in place to safeguard the company's assets against unauthorised use or disposal.
7. The internal audit function assesses risk and reviews controls based on an annual plan. The internal audit function routinely checks contract compliance and reports its findings to the Audit Sub Group.

The Audit Sub Group has reviewed the effectiveness of the internal control system in existence for the year ended 31 March 2019.

The Sub Group has concluded that the systems are effective.

Matters of Strategic Importance

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

Auditor

In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

**ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2019

Statement of disclosure to auditor

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

On behalf of the board

K.E. Boullen

K E Boullen
Director

Date: *22/7/19*

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST HELENS CHAMBER LIMITED

Opinion

We have audited the financial statements of St Helens Chamber Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST HELENS CHAMBER LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Michael Fairhurst FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
5th Floor
One City Place
Queens Road
Chester
CH1 3BQ

29 July 2019

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	4,580,532	5,517,314
Cost of sales		(3,395,536)	(4,390,949)
Gross profit		1,184,996	1,126,365
Administrative expenses		(1,353,515)	(1,420,447)
Other operating income		272,829	424,715
Operating profit	6	104,310	130,633
Interest receivable and similar income	7	71	30
Interest payable and similar charges	8	(369)	-
Profit before taxation		104,012	130,663
Tax on profit	9	(14,953)	(17,623)
Profit for the financial year		89,059	113,040

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	10		5,968,447		5,743,621
Current assets					
Debtors	11	1,001,056		928,977	
Cash at bank and in hand		3,964		585,239	
		1,005,020		1,514,216	
Creditors: amounts falling due within one year	12	(1,156,458)		(1,630,841)	
Net current liabilities			(151,438)		(116,625)
Total assets less current liabilities			5,817,009		5,626,996
Creditors: amounts falling due after More than one year	14		(18,369)		-
Government grants	15		(1,824,396)		(1,741,086)
Provisions for liabilities	16		(67,474)		(68,199)
Net assets			<u>3,906,770</u>		<u>3,817,711</u>
Capital and reserves					
Profit and loss reserves	21		<u>3,906,770</u>		<u>3,817,711</u>

The financial statements were approved by the board of directors and authorised for issue on 23/7/19 and are signed on its behalf by:



K E Boullen
 Director

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

	Profit and loss reserves £
Balance at 1 April 2017	3,704,671
Year ended 31 March 2018:	
Profit and total comprehensive income for the year	113,040
Balance at 31 March 2018	3,817,711
Year ended 31 March 2019:	
Profit and total comprehensive income for the year	89,059
Balance at 31 March 2019	<u>3,906,770</u>

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Operating Activities					
Cash used by operations	20	(354,122)		(393,662)	
Interest paid		(369)		-	
Income taxes paid		(19,528)		(11,656)	
Net cash used in operating activities		(374,019)		(405,318)	
Investing activities					
Purchase of tangible fixed assets		(383,313)		(13,206)	
Interest received		71		30	
Net cash used in investing activities		(383,242)		(13,176)	
Net cash used in financing activities		-		-	
Net decrease in cash and cash equivalents		(757,261)		(418,494)	
Cash and cash equivalents at beginning of year		585,239		1,003,733	
Cash and cash equivalents at end of year		(172,022)		585,239	
<i>Relating to:</i>					
Cash at bank and in hand		3,964		585,239	
Bank overdrafts		(175,986)		-	
		(172,022)		585,239	

ST HELENS CHAMBER LIMITED

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

St Helens Chamber Limited is a private company limited by guarantee and is registered, domiciled and incorporated in England and Wales. The registered office is St Helens Chamber, Salisbury Street, St Helens, Merseyside, WA10 1FY.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the requirements of the Companies Act 2006, including the provision of Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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

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

Going concern

The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as financial projections and cash flow forecasts indicate that the company will continue to trade within its existing cash resources for the foreseeable future subject to no significant change in the company's circumstances.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for provision of services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers.

Irrecoverable VAT

The company operates a partial exemption scheme for VAT whereby it is entitled to recover a proportion of the input VAT it incurs. The irrecoverable VAT element is charged against the cost category of capital and other expenditure to which it relates.

Tangible fixed assets

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

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

Freehold land and buildings	20 to 40 years straight line (land not depreciated)
Fixtures, fittings and equipment	5 to 10 years straight line
Motor vehicles	4 years straight line
Computer and office equipment	5 to 7 years straight line

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

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the assets as if it were at the age and in the condition expected at the end of its useful life.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Financial instruments

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

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

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 company 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 company after deducting all of its liabilities.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

Bank Overdrafts

Bank overdrafts are presented within creditors: amounts falling due within one year.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

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.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

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

Rental income from assets leased under operating leases is recognised on a straight line basis over the term of the lease. Rent free periods or other incentives given to the lessee are accounted for as a reduction to the rental income and recognised on a straight-line basis.

Government grants

Grants are credited to deferred revenue.

Grants towards capital expenditure are released to profit or loss over the estimated useful life of the assets to which they relate. The largest of these is the European Regional Development Fund grant received towards the cost of the new Chamber headquarters. This will be amortised over 20 years in line with the requirement that if during its economic life, the building is used for purposes other than those originally specified an appropriate part of the grant must be repaid to the Secretary of State. If the building is disposed of during its economic life an appropriate part of the proceeds must be repaid to the Secretary of State. The Secretary of State specifies that the economic life should be taken to be 20 years.

Grants towards revenue expenditure are released to profit or loss as the related expenditure is incurred. The largest of these is the Local Enterprise Growth Initiative grant which was secured on the understanding that the Enterprise Greenhouse service would be provided for a minimum period of 10 years. In line with this requirement, it has been amortised over a 10 year period.

Accruals and deferred income

Where income is deferred over a period of more than one year, it is all included within accruals and deferred income and released over the period to which it relates.

2 Judgements and key sources of estimation uncertainty

The directors believe that estimates and assumptions do not have a significant risk of causing a material difference to the carrying amounts of assets and liabilities within the next financial year.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

3 Turnover and other revenue

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

	2019	2018
	£	£
Turnover analysed by class of business		
Providing services	4,580,532	5,517,314
	<u> </u>	<u> </u>
	2019	2018
	£	£
Other revenue		
Interest income	71	30
Grants received	272,829	424,715
	<u> </u>	<u> </u>
	2019	2018
	£	£
Turnover analysed by geographical market		
United Kingdom	4,580,532	5,517,314
	<u> </u>	<u> </u>

4 Employees

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

	2019	2018
	Number	Number
Delivery	84	86
Management and administration	23	23
	<u> </u>	<u> </u>
	107	109
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	2,506,936	2,534,677
Social security costs	218,158	223,744
Pension costs	208,562	211,426
	<u> </u>	<u> </u>
	2,933,656	2,969,847
	<u> </u>	<u> </u>

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Directors' remuneration

	2019	2018
	£	£
Remuneration for qualifying services	122,796	120,583
Company pension contributions to defined contribution schemes	11,789	11,615
	<u>134,585</u>	<u>132,198</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018 - 1).

6 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(272,829)	(424,715)
Fees payable to the company's auditor for the audit of the company's financial statements	14,320	13,942
Depreciation of owned tangible fixed assets	158,487	297,059
Operating lease charges	11,584	11,426
	<u></u>	<u></u>

7 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Interest on bank deposits	71	30
	<u></u>	<u></u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or	71	30
	<u></u>	<u></u>

8 Interest payable and similar income

	2019	2018
	£	£
Interest arising on bank overdrafts	369	-
	<u></u>	<u></u>

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	15,678	19,528
Adjustments in respect of prior periods	-	(74)
Total current tax	<u>15,678</u>	<u>19,454</u>
Deferred tax		
Origination and reversal of timing differences	<u>(725)</u>	<u>(1,831)</u>
Total tax charge	<u>14,953</u>	<u>17,623</u>

The total tax charge for the year included in the profit and loss account can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	<u>104,012</u>	<u>130,663</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	19,762	24,826
Tax effect of expenses that are not deductible in determining taxable profit	145	66
Adjustments in respect of prior years	-	(74)
Depreciation on assets not qualifying for tax allowances	(9,444)	(9,702)
Other differences	<u>4,490</u>	<u>2,507</u>
Taxation charge for the year	<u>14,953</u>	<u>17,623</u>

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Tangible fixed assets

	Freehold land and buildings	Fixtures, fittings and equipment	Motor vehicles	Computer and office equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2018	7,208,274	157,363	42,136	180,956	7,588,729
Additions	298,830	18,505	-	65,978	383,313
Disposals	(247,524)	-	-	(2,928)	(250,452)
At 31 March 2019	7,259,580	175,868	42,136	244,006	7,721,590
Depreciation					
At 1 April 2018	1,528,184	134,634	42,136	140,154	1,845,108
Depreciation charged in the year	128,811	8,373	-	21,303	158,487
Disposals	(247,524)	-	-	(2,928)	(250,452)
At 31 March 2019	1,409,471	143,007	42,136	158,529	1,753,143
Carrying amount					
At 31 March 2019	5,850,109	32,861	-	85,477	5,968,447
At 31 March 2018	5,680,090	22,729	-	40,802	5,743,621

The land value of £306,000 is not depreciated.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

11 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	494,876	430,571
Prepayments and accrued income	506,180	498,406
	<u>1,001,056</u>	<u>928,977</u>

12 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	265,144	225,608
Bank Overdraft	175,986	-
Corporation tax	15,678	19,528
Other taxation and social security	84,445	87,426
Other creditors	798	1,166
Accruals and deferred income	614,407	1,297,113
	<u>1,156,458</u>	<u>1,630,841</u>

There is a development covenant for which Meteor Lead Limited hold a first Legal Charge over part of the land and buildings of the company. Development on the land is not envisaged and therefore no liability has been provided on the grounds that no obligation is expected to occur.

National Westminster plc holds a 2nd Legal Charge over the land and buildings of the company to enable the company to put a facility in place should it be required.

13 Financial instruments

	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>789,997</u>	<u>689,802</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>628,725</u>	<u>424,709</u>

14 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Deferred income	18,369	-

Grants towards capital expenditure are released to profit and loss account over the estimated useful life of the asset to which they relate.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

15 Government grants

	2019 £	2018 £
Revenue grants	-	137,500
Capital grants	<u>1,824,396</u>	<u>1,603,586</u>
	<u>1,824,396</u>	<u>1,741,086</u>

Grants towards capital expenditure are released to the profit and loss account over the estimated useful life of the asset in which they relate. The largest of these is the European Regional Development Fund grant received towards the cost of the new Chamber headquarters. This is amortised over 20 years in line with the economic life.

The Chamber received a capital grant of £336,493 from the Single Investment Fund which covered part of the cost of a project to redevelop our town centre premises into a digital hub. This grant is conditional upon the development of 212m² floor space, 4 jobs being created for 12 months, 2,135 learners being assisted and 339 people being assisted into employment by March 2022.

£272,829 (2018 - £424,715) has been released to profit or loss in the year. We expect £148,310 to be released in the next financial year.

16 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	17	<u>67,474</u>	<u>68,199</u>

17 Deferred taxation

The following is the analysis of the deferred tax balances for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	<u>67,474</u>	<u>68,199</u>
Movements in the year:		2019 £
Liability at 1 April 2018		68,199
Credit to profit or loss		<u>(725)</u>
Liability at 31 March 2019		<u>67,474</u>

The deferred tax liability set out above is expected to reverse within the foreseeable future and relates to accelerated capital allowances that are expected to mature within the same period.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

18 Company limited by guarantee

The company is limited by guarantee and therefore has no share capital. Each member's liability is limited to £1.

19 Retirement benefit schemes

	2019	2018
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	208,562	211,426

Included in other creditors is £24,876 (2018 - £24,708) relating to unpaid pension contributions outstanding at the year end.

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Cash used by operations

	2019	2018
	£	£
Profit for the year after tax	89,059	113,040
Adjustments for:		
Taxation charged	14,953	17,623
Investment income	(71)	(30)
Interest payable	369	-
Depreciation and impairment of tangible fixed assets	158,487	297,059
Movements in working capital:		
Decrease/(increase) in debtors	(72,079)	334,948
Decrease in creditors	(628,150)	(731,587)
Increase/(decrease) in government grants	83,310	(424,715)
Cash used by operations	(354,122)	(393,662)

21 Reserves

Profit and loss reserves

Cumulative profit and loss.

22 Financial commitments, guarantees and contingent liabilities

The company has received grants of £1,581,252 to date (2018 - £1,138,666) towards the purchase and refurbishment of a Digital Hub and Training Centre and £2,059,916 (2018 - £2,059,916) towards the development and furnishing of the Chamber headquarters. There are contingent liabilities on the company, and any successor, to repay the grants should either of the Centres be sold or used for a purpose other than that for which the grants were approved.

ST HELENS CHAMBER LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

23 Operating lease commitments

Lessee

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

	2019 £	2018 £
Within one year	9,359	6,748
Between one and five years	6,688	4,992
	<u>16,047</u>	<u>11,740</u>

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2019 £	2018 £
Within one year	78,365	56,484
Between one and five years	274,277	-
	<u>352,642</u>	<u>56,484</u>

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2019 £	2018 £
Aggregate compensation	<u>149,691</u>	<u>147,100</u>

During the year the company had transactions with entities which were board members of the company or in which directors of the company had a significant interest:

	2019 £	2018 £
The amounts credited to profit or loss amount to:	25,100	24,492
The amounts charged to profit or loss amount to:	1,000	-
At the year end the following amounts were due:	7,248	793