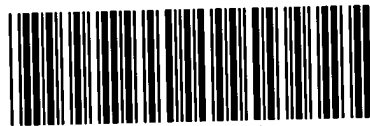


Company Registration No. 02453212 (England and Wales)

**ST HELENS CHAMBER LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2018**

TUESDAY



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COMPANIES HOUSE

**ST HELENS CHAMBER LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**COMPANY INFORMATION**

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<b>Directors</b>	W G Worsley K E Boullen A J Bowden G Charlton J A Downes H M James C E Haworth J Mafi A McMinnis M M Palin A Smith N T Taylor K J Wilson
<b>Secretary</b>	C M Gravener
<b>Company number</b>	02453212
<b>Registered office</b>	St Helens Chamber Salisbury Street St Helens Merseyside WA10 1FY
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 5th Floor One City Place Queens Road Chester CH1 3BQ

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# **ST HELENS CHAMBER LIMITED COMPANY LIMITED BY GUARANTEE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present the strategic report for the year ended 31 March 2018.

## **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 profit and loss statement on page 10 shows that this year a profit before taxation of £130,663 has been achieved, which represents 2.37% 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 1,044 at the year end, representing the highest penetration level into the local business community across all Chambers nationally.
- 247 new businesses were created in St Helens.
- 509 unemployed people have been helped back into employment or further training.
- 1,803 training course places delivered.
- 2,498 attendees at events and seminars.
- 608 Apprentices were in training at the year end.
- 871 Businesses provided with business advice and support, grant funding and Growth Hub assistance.

During the year we completed delivery of our Merseyside-wide contract to provide Regional Growth Fund grants in order to catalyse and unlock investment amongst businesses. The grants supported local companies to grow their business, providing funding towards projects that create or safeguard jobs. Since its launch in July 2015 just under £3.0m of grant support was granted which has led to the creation or safeguarding of 717 jobs across the region.

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, a significant proportion of which was at minimal cost to businesses.

In April 2017 the Apprenticeship Levy came into effect for employers with a UK payroll of over £3m. In the lead up to this we supported 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. We continued to support them and work with them during the year.

The Apprenticeship Reforms also meant that for businesses who were not liable for the Levy, a 10% co-investment to the cost of Apprenticeships was required from May 2017. We took 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.

We have expanded our Apprenticeship delivery during the year by taking on a contract for the delivery of Apprenticeships in Liverpool.

In September the official award ceremony took place for our Queen's Award for Enterprise, recognising our valuable contribution to promoting opportunity. The annual Queen's Awards recognise British firms that have excelled in exporting, social or environmental good works, or innovation. The Chamber was one of just six winners nationally of the new Promoting Opportunity award, introduced for the first time last year.

**ST HELENS CHAMBER LIMITED  
COMPANY LIMITED BY GUARANTEE  
STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018**

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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 cash and short-term deposits was £585k at the year end. Even after deducting £495k of ring fenced Regional Growth Fund this still left the Chamber with a positive cash position. The company had no bank loans during the year. A small overdraft facility was set up during the year but was not being utilised at 31 March. 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 very positive in the medium-term. The budget for 2018/2019 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 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 and we are well positioned to take advantage of improved conditions now the recovery is underway. The ongoing Brexit negotiations present further uncertainties.

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 to support this. We will deliver a range of employment initiatives through funding secured from the European Social Fund and the Education & Skills Funding Agency.

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.

We have been successful in our application for Single Investment Funding to develop a digital hub with hi-tech equipment for use by businesses and individuals in our Town Centre building formerly known as Starting Point. It will provide specialist digital advice, guidance and training, and address the need to make job applications digitally. The digital hub refurbishment is underway and will open to clients at the end of the summer with an official opening ceremony to be held in October.

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 services in the area we are in a strong position and demand for training continues to grow. We have secured substantial contracts with the Education and Skills Funding Agency through to July 2019 to deliver Apprenticeships, Adult Education and Traineeships.

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 2018**

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On behalf of the board

*K E Boullen*

K E Boullen

Director

Date: *24/7/18*

**ST HELENS CHAMBER LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present their annual report and financial statements for the year ended 31 March 2018.

**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	(Appointed 22 May 2018)
D N Buxton	(Resigned 26 September 2017)
G Charlton	
J A Downes	
P Forester	(Resigned 22 May 2018)
J O Fulham	(Resigned 15 May 2018)
H M James	
C E Haworth	(Appointed 26 September 2017)
J Mafi	
A McMinnis	
M M Palin	
A Smith	
N T Taylor	
K J Wilson	(Appointed 26 September 2017)
R C Young	(Resigned 26 September 2017)

**ST HELENS CHAMBER LIMITED  
COMPANY LIMITED BY GUARANTEE  
DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018**

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**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 9001-2008 manuals, and the quality and integrity of personnel is maintained by adherence to the Investors in People gold 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 2018.

The Sub Group has concluded that the systems are effective.

**Future developments**

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 2018**

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**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

**Director**

Date: 24/7/18



**ST HELENS CHAMBER LIMITED  
COMPANY LIMITED BY GUARANTEE  
DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

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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**

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### **Opinion**

We have audited the financial statements of St Helens Chamber Limited (the 'company') for the year ended 31 March 2018 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 2018 and of its 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 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)

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### 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

*1 August 2018*

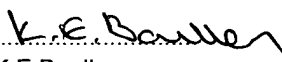
**ST HELENS CHAMBER LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>Turnover</b>	<b>3</b>	5,517,314	6,307,538
Cost of sales		(4,390,949)	(5,174,945)
<b>Gross profit</b>		1,126,365	1,132,593
Administrative expenses		(1,420,447)	(1,282,935)
Other operating income		424,715	278,263
<b>Operating profit</b>	<b>6</b>	130,633	127,921
Interest receivable and similar income	<b>7</b>	30	469
<b>Profit before taxation</b>		130,663	128,390
Tax on profit	<b>8</b>	(17,623)	(16,609)
<b>Profit for the financial year</b>		113,040	111,781

**ST HELENS CHAMBER LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	9		5,743,621		6,027,474
<b>Current assets</b>					
Debtors	10	928,977		1,263,925	
Cash at bank and in hand		585,239		1,003,733	
		<u>1,514,216</u>		<u>2,267,658</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,630,841)</u>		<u>(2,354,630)</u>	
<b>Net current liabilities</b>			<u>(116,625)</u>		<u>(86,972)</u>
<b>Total assets less current liabilities</b>			5,626,996		5,940,502
<b>Government grants</b>	13		(1,741,086)		(2,165,801)
<b>Provisions for liabilities</b>	14		<u>(68,199)</u>		<u>(70,030)</u>
<b>Net assets</b>			<u>3,817,711</u>		<u>3,704,671</u>
<b>Capital and reserves</b>					
Profit and loss reserves	19		<u>3,817,711</u>		<u>3,704,671</u>

The financial statements were approved by the board of directors and authorised for issue on 24/7/18 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 2018**

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	<b>Profit and loss reserves £</b>
<b>Balance at 1 April 2016</b>	3,592,890
<b>Year ended 31 March 2017:</b>	
Profit and total comprehensive income for the year	111,781
	<hr/>
<b>Balance at 31 March 2017</b>	3,704,671
<b>Year ended 31 March 2018:</b>	
Profit and total comprehensive income for the year	113,040
	<hr/>
<b>Balance at 31 March 2018</b>	<u><u>3,817,711</u></u>

**ST HELENS CHAMBER LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	18	(393,662)		(1,063,502)	
Income taxes paid		(11,656)		(2,531)	
<b>Net cash outflow from operating activities</b>		<b>(405,318)</b>		<b>(1,066,033)</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(13,206)		(54,197)	
Interest received		30		469	
<b>Net cash used in investing activities</b>		<b>(13,176)</b>		<b>(53,728)</b>	
<b>Net cash used in financing activities</b>		<b>-</b>		<b>-</b>	
<b>Net decrease in cash and cash equivalents</b>		<b>(418,494)</b>		<b>(1,119,761)</b>	
Cash and cash equivalents at beginning of year		1,003,733		2,123,494	
<b>Cash and cash equivalents at end of year</b>		<b>585,239</b>		<b>1,003,733</b>	

**ST HELENS CHAMBER LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**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 7 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 2018**

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**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.

**Classification of financial liabilities**

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

**Basic financial liabilities**

Basic financial liabilities, including 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.

**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 period.

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.

**ST HELENS CHAMBER LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**1 Accounting policies (Continued)**

**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.

**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 will be 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.

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**3 Turnover and other revenue**

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by class of business</b>		
Providing services	5,517,314	6,307,538
	<u>5,517,314</u>	<u>6,307,538</u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Other revenue</b>		
Interest income	30	469
Grants received	424,715	278,263
	<u>424,745</u>	<u>278,732</u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by geographical market</b>		
United Kingdom	5,517,314	6,307,538
	<u>5,517,314</u>	<u>6,307,538</u>

**4 Employees**

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Delivery	86	81
Management and administration	23	23
	<u>109</u>	<u>104</u>

Their aggregate remuneration comprised:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,534,677	2,417,978
Social security costs	223,744	211,664
Pension costs	211,426	193,744
	<u>2,969,847</u>	<u>2,823,386</u>

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**5 Directors' remuneration**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	120,583	122,978
Company pension contributions to defined contribution schemes	11,615	11,905
	<u>132,198</u>	<u>134,883</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017 - 1).

**6 Operating profit**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Government grants	(424,715)	(278,263)
Fees payable to the company's auditor for the audit of the company's financial statements	13,942	13,579
Depreciation of owned tangible fixed assets	297,059	146,079
Operating lease charges	11,426	10,653
	<u>297,712</u>	<u>141,948</u>

**7 Interest receivable and similar income**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	30	469
	<u>30</u>	<u>469</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	30	469
	<u>30</u>	<u>469</u>

**8 Taxation**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	19,528	11,730
Adjustments in respect of prior periods	(74)	(1)
Total current tax	<u>19,454</u>	<u>11,729</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,831)	4,880
	<u>(1,831)</u>	<u>4,880</u>
Total tax charge	<u>17,623</u>	<u>16,609</u>

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**8 Taxation (Continued)**

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:

	2018 £	2017 £
Profit before taxation	130,663	128,390
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	24,826	25,678
Tax effect of expenses that are not deductible in determining taxable profit	66	-
Adjustments in respect of prior years	(74)	(1)
Depreciation on assets not qualifying for tax allowances	(9,702)	-
Tax effect of income	-	(25,594)
Other differences	2,507	21,645
Adjust deferring tax to closing rate	-	(5,119)
Taxation charge for the year	17,623	16,609

**9 Tangible fixed assets**

	Freehold land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Computer and office equipment £	Total £
<b>Cost</b>					
At 1 April 2017	7,207,701	151,378	42,136	174,308	7,575,523
Additions	573	5,985	-	6,648	13,206
At 31 March 2018	7,208,274	157,363	42,136	180,956	7,588,729
<b>Depreciation and impairment</b>					
At 1 April 2017	1,253,687	126,982	42,136	125,244	1,548,049
Depreciation charged in the year	274,497	7,652	-	14,910	297,059
At 31 March 2018	1,528,184	134,634	42,136	140,154	1,845,108
<b>Carrying amount</b>					
At 31 March 2018	5,680,090	22,729	-	40,802	5,743,621
At 31 March 2017	5,954,014	24,396	-	49,064	6,027,474

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

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**10 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	430,571	502,599
Prepayments and accrued income	498,406	761,326
	<u>928,977</u>	<u>1,263,925</u>

**11 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	225,608	381,699
Corporation tax	19,528	11,730
Other taxation and social security	87,426	83,820
Other creditors	1,166	1,475
Accruals and deferred income	1,297,113	1,875,906
	<u>1,630,841</u>	<u>2,354,630</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.

**12 Financial instruments**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	689,802	1,029,655
	<u>689,802</u>	<u>1,029,655</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	424,709	767,872
	<u>424,709</u>	<u>767,872</u>

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**13 Government grants**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Revenue grants	137,500	287,500
Capital grants	1,603,586	1,878,301
	<u>1,741,086</u>	<u>2,165,801</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.

Local Enterprise Growth Initiative funding of £1,500,000 was secured from St Helens Council on the understanding that the Enterprise Greenhouse service would be provided for a minimum period of 10 years. In line with this requirement, the grant has been amortised over a 10 year period commencing March 2009.

£424,715 (2017 - £278,263) has been released to profit or loss in the year. We expect £265,763 to be released in the next financial year.

**14 Provisions for liabilities**

	<b>2018</b>	<b>2017</b>
<b>Notes</b>	<b>£</b>	<b>£</b>
Deferred tax liabilities	68,199	70,030
	<u>68,199</u>	<u>70,030</u>

**15 Deferred taxation**

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

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	68,199	70,030
	<u>68,199</u>	<u>70,030</u>
<b>Movements in the year:</b>		<b>2018</b>
		<b>£</b>
Liability at 1 April 2017		70,030
Credit to profit or loss		(1,831)
		<u>68,199</u>
Liability at 31 March 2018		<u>68,199</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.

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**16 Company limited by guarantee**

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

**17 Retirement benefit schemes**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	211,426	193,744

Included in other creditors is £24,708 (2017 - £23,426) 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.

**18 Cash generated from operations**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Profit for the year after tax	113,040	111,781
<b>Adjustments for:</b>		
Taxation charged	17,623	16,609
Investment income	(30)	(469)
Depreciation and impairment of tangible fixed assets	297,059	146,079
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	334,948	(72,562)
Decrease in creditors	(731,587)	(986,677)
Release in deferred income relating to grants	(424,715)	(278,263)
<b>Cash absorbed by operations</b>	<b>(393,662)</b>	<b>(1,063,502)</b>

**19 Reserves**

**Profit and loss reserves**

Cumulative profit and loss.



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**20 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:

	2018 £	2017 £
Within one year	6,748	12,254
Between one and five years	4,992	9,579
	<u>11,740</u>	<u>21,833</u>

**Lessor**

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

	2018 £	2017 £
Within one year	56,484	95,124
	<u>56,484</u>	<u>95,124</u>

**21 Financial commitments, guarantees and contingent liabilities**

The company has received grants of £1,138,666 to date (2017 - £1,138,666) towards the purchase and refurbishment of an Information, Advice and Guidance Centre and £2,059,916 (2017 - £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.

**22 Related party transactions**

**Remuneration of key management personnel**

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

	2018 £	2017 £
Aggregate compensation	147,100	150,191
	<u>147,100</u>	<u>150,191</u>

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**22 Related party transactions (Continued)**

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:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
The amounts credited to profit or loss amount to:	24,492	579,495

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
The amounts charged to profit or loss amount to:	-	175,150

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
At the year end the following amounts were due:	793	73,130