

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

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for the year ended 31 March 2019**

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**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**COMPANY INFORMATION
for the year ended 31 March 2019**

DIRECTORS:

L. Bayliss (Chief Executive)
D.J. Penn (President)
M. Bailie
A. Bhabra
P. Burns
D. Burton
M. Collins
K. Clarke
L. Coltman
I. Coulson
S. Halkett
T. Mongan
D. Myskow
J. Nollett
F. Sexton
K. M. Shuter
D. Squires
P. Sullivan
S. Twigger

BRANCH DIRECTORS:

D.J. Penn (Coventry)
T. Mongan (North Warks)
D. Myskow (Mid Warks)
L. Coltman (South Warks)
K.M. Shutter (Rugby)

REGISTERED OFFICE:

Chamber House
Innovation Village
Cheetah Road
Coventry
CV1 2TL

REGISTERED NUMBER:

02478695 (England and Wales)

AUDITORS:

Dafferns LLP
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**GROUP STRATEGIC REPORT
for the year ended 31 March 2019**

The directors present their strategic report of the company and the group for the year ended 31 March 2019.

REVIEW OF BUSINESS

The results for the financial year and the financial position for the Chamber Group are as shown in the annexed financial statements and indicate that the Chamber Group remains a strong, financially viable (not for profit) business that is able to support its' Chamber Members and, more widely, assist clients who wish to access business & export support.

Membership and wider business engagement is strong, particularly amongst the larger businesses. Membership volumes will continue to receive focus as this can be a challenging area in a busy, competitive market place. The Chamber will place emphasis on delivering longer-term quality networks and support as it believes that this is the kind of service that local businesses require in order to help support and sustain their growth. Growth in membership revenue continues to allow for ongoing investment in Member services, particularly in the area of networking and b2b opportunities. Indeed, in 2018/19, the Chamber invested in a new business opportunities portal (CW Connect) which is freely available to all Members, but requires a subscription fee for businesses not joining their Chamber.

During, 2018/19, the Chamber delivered the strongest programme of Events & Networking opportunities to date, including an exclusive '2022 Business Breakfast' for over three hundred local businesses alongside a 'Go For Growth' Trade Expo which attracted hundreds of exhibitors and visitors. One of the largest events in the locality, the Chamber's Economic Conference 2018, was once again a huge success, with notable speakers including Jon Snow, Journalist & Broadcaster, Jeremy Wright, Secretary of State and local MP, Andy Street, West Midlands Mayor, the Chief Executives of our City and County Councils and the Chairman of the Local Enterprise Partnership. Smaller, but well attended activities include Chamber Means Business, the thriving Women in Business network and, working with Warwickshire & Rugby College, a Construction Industry Day.

CWCC is proud to win contracts to deliver business support for local businesses and works alongside key partners such as Coventry City Council and Warwickshire County Council. For those who wish to start a business in the locality, one stop support is readily available to them. The ICT & Broadband programme of support has been a notable success with many businesses accessing high quality support & specialist expertise.

Through the Chamber's International Trade Hub at Chamber House CWCC continues to offer excellence in export services including the Government's export service, export documentation, letters of credit, export education & learning opportunities and much more. Of particular focus and real success has been a busy programme of BREXIT support to Members which is demand led and shaped by the Chamber's Coventry & Warwickshire BREXIT Business Group.

As a voice of business, the Chamber's Branch Network has strengthened with regular dialogue with local Members of Parliament and local Councils. Engagement with the West Midlands Mayor, the West Midlands Combined Authority and the Local Enterprise Partnership remains important, positive and strong and, indeed, the Chamber continues to support partnership effort to attract increased inward investment to the area, playing its role in MIPIM 2019. Having been an early sponsor of City of Culture 2021 and a supporter of 2022 Commonwealth Games, the Chamber will continue to place emphasis on opportunities for local businesses and economic benefit to all.

The Chamber remains proud of its wholly owned subsidiary company, Coventry Warwickshire Chamber Training which continues to buck trends in its high standards and volumes of apprenticeship delivery alongside a business-focussed prospectus of education & development opportunities.

Led by a strong Board of Directors, the Chamber evidenced strong governance, financial sustainability and good membership services in its most recent, 2018, re-accreditation as a UK accredited Chamber of Commerce.

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**GROUP STRATEGIC REPORT
for the year ended 31 March 2019**

PRINCIPAL RISKS AND UNCERTAINTIES

The political and economic landscape is an uncertain one and this impacts on the local business community which, in turn, shapes the services delivered by the Chamber of Commerce. With BREXIT on the horizon and changes in Government policy, the Chamber will see the demise of some public funded business support and grants assisted programmes and potential changes to the delivery of other highly acclaimed services, such as export support. The Chamber will continue to be flexible and responsive to change with a constant focus on the demands and aspirations of its Members and local businesses. The Chamber Group will continue to diversify its services and revenue streams, invest in technology and specialist skills & knowledge and seek-out investment opportunities where appropriate.

FINANCIAL KEY PERFORMANCE INDICATORS

Turnover by activity was as follows:

	2019 £'000	2018 £'000
Business support activities	570	570
International Trade support activities	678	640
Membership subscriptions and events	520	546
Other income	100	78
Training (CWCT)	<u>2,394</u>	<u>2,475</u>
	<u><u>4,262</u></u>	<u><u>4,309</u></u>

The group achieved a surplus after tax for the year of £186,266 compared to £276,517 in 2018.

ON BEHALF OF THE BOARD:



.....
L. Bayliss - Director

Date: 18 September 2019

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**REPORT OF THE DIRECTORS
for the year ended 31 March 2019**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The principal activity of Coventry and Warwickshire Chamber of Commerce during the year was to carry out all the activities normally associated with a Chamber of Commerce, including lobbying & representation on issues that matter most to business, the provision of business information and value added membership services. The Group also delivered a range of enterprise support interventions, including DIT international trade, new start up, training provider, coaching and mentoring services.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

M. Bailie
A. Bhabra
L. Bayliss
P. Burns
D. Burton
M. Collins
L. Coltman
S. Halkett
D. Myskow
J. Nollett
D.J. Penn
K. M. Shuter
D. Squires
P. Sullivan
S. Twigger

Other changes in directors holding office are as follows:

P. Carvell - resigned 9 January 2019
P.P. Murtagh - resigned 9 January 2019
K. Clarke - appointed 9 January 2019
I. Coulson - appointed 9 January 2019
T. Mongan - appointed 9 January 2019

F. Sexton was appointed as a director after 31 March 2019 but prior to the date of this report.

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**REPORT OF THE DIRECTORS
for the year ended 31 March 2019**

CORPORATE GOVERNANCE

The Board for the year ended 31 March 2019 comprised an unpaid president, unpaid non-executive directors and the chief executive. The Board has a formal schedule of matters specifically reserved to it for decision, to ensure that the direction and control of the company is firmly its responsibility.

The Finance, Audit and General Purposes Committee is a Board Committee with executive powers comprising seven Directors together with the President and the Chief Executive. The FAGP Committee chairman is Mr David Burton. This committee oversees all aspects of the company's finances, audit, administration and infrastructure and acts as the Remuneration Committee for the consideration of pay award proposals. Minutes of the Committee meetings are circulated to Board members.

There is an agreed procedure for the directors in the furtherance of their duties to take independent professional advice, if necessary, at the company's expense. Directors are required to make a formal declaration of any interests which may conflict with their duties as directors.

INTERNAL CONTROL

The directors have overall responsibility for the company's system of internal control.

The Board and its advisory committees meet regularly and have put in place an organisational structure with clearly defined lines of responsibility and delegation of authority. There are established procedures for expenditure approval and for information and reporting systems for monitoring the company's business and its performance, which are formally reviewed on a regular basis.

The directors believe that the company's system of internal control provides adequate assurance that the assets are safeguarded and that transactions and liabilities are properly authorised and recorded. The system also provides assurance that material errors and irregularities can be minimised and detected within a timely period.

PAYMENT POLICY

The Board supports the CBI policy on the timely payment of creditors.

DIRECTORS AND OFFICERS INSURANCE

The company maintains insurance indemnifying the directors and officers against liabilities arising from their duties as directors and officers of the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the surplus or deficit of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

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

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**REPORT OF THE DIRECTORS
for the year ended 31 March 2019**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of such information.

ON BEHALF OF THE BOARD:


.....
L. Bayliss - Director

Date: 18 September 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COVENTRY & WARWICKSHIRE CHAMBER OF COMMERCE

Opinion

We have audited the financial statements of Coventry & Warwickshire Chamber of Commerce (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group'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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

Opinion 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



Geoffrey Cox BA FCA (Senior Statutory Auditor)
for and on behalf of Dafferns LLP
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

Date: 18 September 2019

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**CONSOLIDATED INCOME STATEMENT
for the year ended 31 March 2019**

	Notes	2019 £	2018 £
TURNOVER	3	4,261,982	4,308,723
Cost of sales		<u>3,058,703</u>	<u>2,925,672</u>
GROSS SURPLUS		1,203,279	1,383,051
Administrative expenses		<u>1,202,266</u>	<u>1,257,383</u>
		1,013	125,668
Other operating income		<u>152,126</u>	<u>153,471</u>
OPERATING SURPLUS	5	153,139	279,139
Revaluation of investment property	6	<u>5,595</u>	<u>5,189</u>
		158,734	284,328
Profit share from West Midlands Chambers of Commerce LLP		4,099	4,919
Interest receivable and similar income	7	<u>61,549</u>	<u>45,328</u>
		<u>65,648</u>	<u>50,247</u>
SURPLUS BEFORE TAXATION		224,382	334,575
Tax on surplus	8	<u>38,116</u>	<u>58,058</u>
SURPLUS FOR THE FINANCIAL YEAR		<u>186,266</u>	<u>276,517</u>
Surplus attributable to: Owners of the parent		<u>186,266</u>	<u>276,517</u>

The notes form part of these financial statements

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2019**

Notes	2019 £	2018 £
SURPLUS FOR THE YEAR	186,266	276,517
OTHER COMPREHENSIVE INCOME		
Revaluation of properties	5,595	5,189
	<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>5,595</u>	<u>5,189</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>191,861</u>	<u>281,706</u>
Total comprehensive income attributable to: Owners of the parent	<u>191,861</u>	<u>281,706</u>

The notes form part of these financial statements

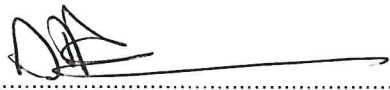
**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE (REGISTERED NUMBER: 02478695)**

**CONSOLIDATED BALANCE SHEET
31 March 2019**

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		1,861,687		1,858,869
Investments	11				
Interest in associate undertakings			3,500		3,500
Other investments			341,363		341,363
Investment property	12		<u>725,200</u>		<u>725,200</u>
			2,931,750		2,928,932
CURRENT ASSETS					
Debtors	13	736,624		1,031,376	
Cash at bank		<u>3,061,909</u>		<u>2,535,697</u>	
		3,798,533		3,567,073	
CREDITORS					
Amounts falling due within one year	14	<u>1,060,691</u>		<u>1,019,774</u>	
NET CURRENT ASSETS			<u>2,737,842</u>		<u>2,547,299</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,669,592		5,476,231
PROVISIONS FOR LIABILITIES	16		<u>11,000</u>		<u>9,500</u>
NET ASSETS			<u><u>5,658,592</u></u>		<u><u>5,466,731</u></u>
RESERVES					
Revaluation reserve	17		117,895		112,300
Investment property revaluation reserve	17		71,838		66,243
Income and expenditure account	17		<u>5,468,859</u>		<u>5,288,188</u>
			<u><u>5,658,592</u></u>		<u><u>5,466,731</u></u>

The financial statements were approved by the Board of Directors on 18 September 2019 and were signed on its behalf by:


.....
L. Bayliss - Director


.....
D.J. Penn - Director


The notes form part of these financial statements

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE (REGISTERED NUMBER: 02478695)**

**COMPANY BALANCE SHEET
31 March 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	10	743,543	748,776
Investments	11	544,868	544,868
Investment property	12	<u>1,765,200</u>	<u>1,765,200</u>
		3,053,611	3,058,844
CURRENT ASSETS			
Debtors	13	572,656	816,357
Cash at bank		<u>1,725,797</u>	<u>1,498,666</u>
		2,298,453	2,315,023
CREDITORS			
Amounts falling due within one year	14	<u>580,674</u>	<u>624,705</u>
NET CURRENT ASSETS		<u>1,717,779</u>	<u>1,690,318</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,771,390</u>	<u>4,749,162</u>
RESERVES			
Revaluation reserve	17	71,839	66,244
Investment property revaluation reserve	17	117,894	112,299
Income and expenditure account	17	<u>4,581,657</u>	<u>4,570,619</u>
		<u>4,771,390</u>	<u>4,749,162</u>
Company's profit for the financial year		<u>16,633</u>	<u>101,286</u>

The financial statements were approved by the Board of Directors on 18 September 2019 and were signed on its behalf by:


.....
L. Bayliss - Director


.....
D.J. Penn - Director

The notes form part of these financial statements

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2019**

	Retained earnings £	Revaluation reserve £	Investment property revaluation reserve £	Total equity £
Balance at 1 April 2017	5,016,860	107,111	61,054	5,185,025
Changes in equity				
Total comprehensive income	<u>271,328</u>	<u>5,189</u>	<u>5,189</u>	<u>281,706</u>
Balance at 31 March 2018	<u>5,288,188</u>	<u>112,300</u>	<u>66,243</u>	<u>5,466,731</u>
Changes in equity				
Total comprehensive income	<u>180,671</u>	<u>5,595</u>	<u>5,595</u>	<u>191,861</u>
Balance at 31 March 2019	<u><u>5,468,859</u></u>	<u><u>117,895</u></u>	<u><u>71,838</u></u>	<u><u>5,658,592</u></u>

The notes form part of these financial statements

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2019**

	Retained earnings £	Revaluation reserve £	Investment property revaluation reserve £	Total equity £
Balance at 1 April 2017	4,474,522	61,055	107,110	4,642,687
Changes in equity				
Total comprehensive income	<u>96,097</u>	<u>5,189</u>	<u>5,189</u>	<u>106,475</u>
Balance at 31 March 2018	<u>4,570,619</u>	<u>66,244</u>	<u>112,299</u>	<u>4,749,162</u>
Changes in equity				
Total comprehensive income	<u>11,038</u>	<u>5,595</u>	<u>5,595</u>	<u>22,228</u>
Balance at 31 March 2019	<u><u>4,581,657</u></u>	<u><u>71,839</u></u>	<u><u>117,894</u></u>	<u><u>4,771,390</u></u>

The notes form part of these financial statements

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	539,635	438,776
Tax paid		<u>(56,916)</u>	<u>(22,263)</u>
Net cash from operating activities		<u>482,719</u>	<u>416,513</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(29,246)	(39,294)
Capital Goods Scheme VAT adjustment		11,190	10,379
Interest received		<u>61,549</u>	<u>45,328</u>
Net cash from investing activities		<u>43,493</u>	<u>16,413</u>
 Increase in cash and cash equivalents		<u>526,212</u>	<u>432,926</u>
Cash and cash equivalents at beginning of year	2	2,535,697	2,102,771
 Cash and cash equivalents at end of year	2	<u><u>3,061,909</u></u>	<u><u>2,535,697</u></u>

The notes form part of these financial statements

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2019**

1. RECONCILIATION OF SURPLUS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2019 £	2018 £
Surplus before taxation	224,384	334,575
Depreciation charges	25,022	22,757
Loss on disposal of fixed assets	1,406	-
Gain on investment property revaluation	(5,595)	(5,189)
Finance income	<u>(65,648)</u>	<u>(50,247)</u>
	179,569	301,896
Decrease in trade and other debtors	302,950	214,103
Increase/(decrease) in trade and other creditors	<u>57,116</u>	<u>(77,223)</u>
Cash generated from operations	<u>539,635</u>	<u>438,776</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2019

	31.3.19 £	1.4.18 £
Cash and cash equivalents	<u>3,061,909</u>	<u>2,535,697</u>

Year ended 31 March 2018

	31.3.18 £	1.4.17 £
Cash and cash equivalents	<u>2,535,697</u>	<u>2,102,771</u>

The notes form part of these financial statements

**COVENTRY & WARWICKSHIRE CHAMBER OF
COMMERCE**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2019**

1. STATUTORY INFORMATION

Coventry & Warwickshire Chamber of Commerce is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The company's financial statements are presented in pound sterling and this is its functional currency.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover, which excludes value added tax, represents the amount invoiced in respect of the group's principal activities. Subscription income is apportioned over the period to which it related. Turnover for the other activities represents amount receivable by the company for the provision of goods and services during the year.

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company has complied with conditions attaching to them.

Tangible fixed assets

Depreciation is provided on the cost of tangible fixed assets, except freehold and long leasehold land and buildings, so as to write off the cost over the term of their useful life.

The annual rates generally used are:-

Office furniture, fittings and equipment	- 10% straight line
Computer equipment	- 33 1/3% straight line
Motor vehicles	- 25% straight line

Freehold and leasehold property are shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in other comprehensive income.

Investments in associates

Investments in associate undertakings are recognised at cost.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in surplus or deficit.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

2. ACCOUNTING POLICIES - continued

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension contributions

The group operates defined contribution scheme for its employees. The assets of these schemes are held separately from those of the group in independently administered funds. The pension contribution charge represents amount payable by the group to the schemes.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Leasing commitments

Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

3. TURNOVER

The turnover and surplus before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below:

	2019 £	2018 £
Business support	570,359	570,727
International trade support	678,096	638,831
Membership subscriptions and events	519,233	546,427
Other income	100,449	78,250
Training (CWCT)	<u>2,393,845</u>	<u>2,474,488</u>
	<u><u>4,261,982</u></u>	<u><u>4,308,723</u></u>

An analysis of turnover by geographical market is given below:

	2019 £	2018 £
United Kingdom	<u>4,261,982</u>	<u>4,308,723</u>
	<u><u>4,261,982</u></u>	<u><u>4,308,723</u></u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

4. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	2,201,958	2,130,282
Social security costs	205,288	202,638
Other pension costs	<u>119,498</u>	<u>114,548</u>
	<u><u>2,526,744</u></u>	<u><u>2,447,468</u></u>

The average number of employees during the year was as follows:

	2019	2018
Business and Contract Management	62	64
General Administration and Management	<u>9</u>	<u>8</u>
	<u><u>71</u></u>	<u><u>72</u></u>

The average number of employees by undertakings that were proportionately consolidated during the year was 39. (2018 – 42)

	2019 £	2018 £
Directors' remuneration	117,384	115,100
Directors' pension contributions to money purchase schemes	<u>12,534</u>	<u>7,411</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u><u>1</u></u>	<u><u>1</u></u>
------------------------	-----------------	-----------------

5. OPERATING SURPLUS

The operating surplus is stated after charging/(crediting):

	2019 £	2018 £
Depreciation - owned assets	25,022	22,756
Loss on disposal of fixed assets	1,406	-
Auditors' remuneration	7,000	6,500
Foreign exchange differences	1,233	(1,410)
Operating lease charges - other	<u>16,764</u>	<u>16,511</u>

6. EXCEPTIONAL ITEMS

	2019 £	2018 £
Revaluation of investment property	<u><u>5,595</u></u>	<u><u>5,189</u></u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2019 £	2018 £
Bank interest	7,149	3,728
Debenture interest	<u>54,400</u>	<u>41,600</u>
	<u>61,549</u>	<u>45,328</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the surplus for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	40,500	60,800
Prior year tax adjustment	<u>(3,884)</u>	<u>(5,742)</u>
Total current tax	36,616	55,058
Deferred tax	<u>1,500</u>	<u>3,000</u>
Tax on surplus	<u>38,116</u>	<u>58,058</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Surplus before tax	<u>224,382</u>	<u>334,575</u>
Surplus multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	42,633	63,569
Effects of:		
Expenses not deductible for tax purposes	1,063	1,094
Adjustments to tax charge in respect of previous periods	<u>(3,884)</u>	<u>(5,742)</u>
Roundings	<u>(1,696)</u>	<u>(863)</u>
Total tax charge	<u>38,116</u>	<u>58,058</u>

Tax effects relating to effects of other comprehensive income

	2019 Gross £	Tax £	Net £
Revaluation of properties	<u>5,595</u>	<u>-</u>	<u>5,595</u>
	2018 Gross £	Tax £	Net £
Revaluation of properties	<u>5,189</u>	<u>-</u>	<u>5,189</u>

**COVENTRY & WARWICKSHIRE CHAMBER OF
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

10. TANGIBLE FIXED ASSETS

Group	Freehold property £	Long leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION				
At 1 April 2018	1,040,000	725,200	804,790	2,569,990
Additions	-	-	29,246	29,246
Disposals	-	-	(9,732)	(9,732)
Revaluations	-	5,595	-	5,595
Capital Goods Scheme VAT adjustment	-	(5,595)	-	(5,595)
At 31 March 2019	<u>1,040,000</u>	<u>725,200</u>	<u>824,304</u>	<u>2,589,504</u>
DEPRECIATION				
At 1 April 2018	-	-	711,121	711,121
Charge for year	-	-	25,022	25,022
Eliminated on disposal	-	-	(8,326)	(8,326)
At 31 March 2019	-	-	<u>727,817</u>	<u>727,817</u>
NET BOOK VALUE				
At 31 March 2019	<u>1,040,000</u>	<u>725,200</u>	<u>96,487</u>	<u>1,861,687</u>
At 31 March 2018	<u>1,040,000</u>	<u>725,200</u>	<u>93,669</u>	<u>1,858,869</u>

Cost or valuation at 31 March 2019 is represented by:

	Freehold property £	Long leasehold £	Fixtures and fittings £	Totals £
Valuation in 2019	1,040,000	725,200	-	1,765,200
Cost	-	-	824,304	824,304
	<u>1,040,000</u>	<u>725,200</u>	<u>824,304</u>	<u>2,589,504</u>

If long leasehold property had not been revalued it would have been included at the following historical cost:

	2019 £	2018 £
Cost	1,954,362	1,959,957
Aggregate depreciation	<u>(494,546)</u>	<u>(494,546)</u>
Net book value	<u>1,459,816</u>	<u>1,465,411</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

10. TANGIBLE FIXED ASSETS - continued

Group

The properties were subject to a valuation by the directors on 31 March 2019. The directors do not consider the fair value of the properties to have materially changed from their previous external valuation carried out at 31 March 2016 by Loveitts Chartered Surveyors.

Company

	Long leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 April 2018	725,200	246,334	971,534
Disposals	-	(217)	(217)
Revaluations	5,595	-	5,595
Capital Goods Scheme VAT adjustment	<u>(5,595)</u>	<u>-</u>	<u>(5,595)</u>
At 31 March 2019	<u>725,200</u>	<u>246,117</u>	<u>971,317</u>
DEPRECIATION			
At 1 April 2018	-	222,758	222,758
Charge for year	-	5,233	5,233
Eliminated on disposal	<u>-</u>	<u>(217)</u>	<u>(217)</u>
At 31 March 2019	<u>-</u>	<u>227,774</u>	<u>227,774</u>
NET BOOK VALUE			
At 31 March 2019	<u>725,200</u>	<u>18,343</u>	<u>743,543</u>
At 31 March 2018	<u>725,200</u>	<u>23,576</u>	<u>748,776</u>

Cost or valuation at 31 March 2019 is represented by:

	Long leasehold £	Fixtures and fittings £	Totals £
Valuation in 2019	725,200	-	725,200
Cost	<u>-</u>	<u>246,117</u>	<u>246,117</u>
	<u>725,200</u>	<u>246,117</u>	<u>971,317</u>

If long leasehold property had not been revalued it would have been included at the following historical cost:

	2019 £	2018 £
Cost	<u>653,362</u>	<u>658,957</u>

The long leasehold property was subject to a valuation by the directors on 31 March 2019. The directors do not consider the fair value of the property to have materially changed from its previous external valuation carried out at 31 March 2016 by Loveitts Chartered Surveyors.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

11. FIXED ASSET INVESTMENTS

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Shares in group undertakings	-	-	200,005	200,005
Participating interests	3,500	3,500	3,500	3,500
Loans to undertakings in which the company has a participating interest	<u>341,363</u>	<u>341,363</u>	<u>341,363</u>	<u>341,363</u>
	<u>344,863</u>	<u>344,863</u>	<u>544,868</u>	<u>544,868</u>

Additional information is as follows:

Group

	Interest in associate undertakings £
COST	
At 1 April 2018 and 31 March 2019	<u>3,500</u>

NET BOOK VALUE

At 31 March 2019	<u>3,500</u>
At 31 March 2018	<u>3,500</u>

Company

	Shares in group undertakings £	Interest in associate undertakings £	Totals £
COST			
At 1 April 2018 and 31 March 2019	<u>200,005</u>	<u>3,500</u>	<u>203,505</u>
NET BOOK VALUE			
At 31 March 2019	<u>200,005</u>	<u>3,500</u>	<u>203,505</u>
At 31 March 2018	<u>200,005</u>	<u>3,500</u>	<u>203,505</u>

Group

	Loans to associates £
At 1 April 2018 and 31 March 2019	<u>341,363</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

11. FIXED ASSET INVESTMENTS - continued

Company

	Loans to associates £
At 1 April 2018 and 31 March 2019	<u>341,363</u>

Subsidiary Companies

The following companies are all wholly-owned by the parent company:-

Name	Principal Activity
Coventry and Warwickshire Chambers of Commerce Training Limited	Provision of Training
Business Link Coventry and Warwickshire Limited	Dormant
Coventry and Warwickshire Training and Enterprise Council Limited	Dormant
Coventry and Warwickshire Chamber of Commerce and Industry Limited	Dormant
West Midlands Gateway Limited	Dormant

Associated Undertakings

The company holds 3,500 £1 C Ordinary shares in University of Warwick Science Park Business Innovation Centre Limited, representing 35% of the issued ordinary share capital. The loan balance at the year end was £341,363. The latest audited accounts for the associated company are for the period to 31 July 2018. The retained profit for that year was £229,095 and the aggregate equity shareholders' funds at 31 July 2018 were £513,848 in deficit.

Other

The company holds 16.7% interest in West Midlands Chambers of Commerce LLP (WMCC LLP).

12. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 April 2018	725,200
Revaluations	5,595
Capital Goods Scheme VAT adjustment	<u>(5,595)</u>
At 31 March 2019	<u>725,200</u>
NET BOOK VALUE	
At 31 March 2019	<u>725,200</u>
At 31 March 2018	<u>725,200</u>
Fair value at 31 March 2019 is represented by:	
Valuation in 2019	<u>£</u> <u>725,200</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

12. INVESTMENT PROPERTY - continued

Group

If the investment property had not been revalued it would have been included at the following historical cost:

	2019 £	2018 £
Cost	<u>653,362</u>	<u>658,957</u>

The investment property was subject to a valuation by the directors on 31 March 2019. The directors do not consider the fair value of the property to have materially changed from its previous external valuation carried out at 31 March 2016 by Loveitts Chartered Surveyors.

Company

	Total £
FAIR VALUE	
At 1 April 2018	1,765,200
Revaluations	5,595
Capital Goods Scheme VAT adjustment	<u>(5,595)</u>
At 31 March 2019	<u>1,765,200</u>
NET BOOK VALUE	
At 31 March 2019	<u>1,765,200</u>
At 31 March 2018	<u>1,765,200</u>

Fair value at 31 March 2019 is represented by:

	£
Valuation in 2019	<u>1,765,200</u>

If the investment properties had not been revalued they would have been included at the following historical cost:

	2019 £	2018 £
Cost	1,954,362	1,959,957
Aggregate depreciation	<u>(494,546)</u>	<u>(494,546)</u>
Net book value	<u>1,459,816</u>	<u>1,465,411</u>

The investment properties were subject to a valuation by the directors on 31 March 2019. The directors do not consider the fair value of the properties to have materially changed from their previous external valuation carried out at 31 March 2016 by Loveitts Chartered Surveyors.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	439,532	752,616	249,898	476,617
Amounts owed by group undertakings	-	-	79,450	116,663
Amounts due from West Midlands Chambers of Commerce LLP	96,662	92,563	96,662	92,563
Other debtors	15,857	14,549	10,838	9,956
Prepayments and accrued income	<u>184,573</u>	<u>171,648</u>	<u>135,808</u>	<u>120,558</u>
	<u>736,624</u>	<u>1,031,376</u>	<u>572,656</u>	<u>816,357</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	344,540	316,718	161,800	172,862
Tax	40,500	60,800	2,000	23,000
Social security and other taxes	33,116	54,511	26,594	46,810
Other creditors	170,483	137,640	31,719	45,589
Accrued expenses	195,296	151,540	81,805	37,879
Deferred income	<u>276,756</u>	<u>298,565</u>	<u>276,756</u>	<u>298,565</u>
	<u>1,060,691</u>	<u>1,019,774</u>	<u>580,674</u>	<u>624,705</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Minimum lease payments under non-cancellable operating leases fall due as follows:

Group

	2019	2018
	£	£
Within one year	23,062	13,419
Between one and five years	<u>27,867</u>	<u>16,902</u>
	<u>50,929</u>	<u>30,321</u>

Company

	2019	2018
	£	£
Within one year	14,049	7,351
Between one and five years	<u>18,247</u>	<u>8,738</u>
	<u>32,296</u>	<u>16,089</u>

**COVENTRY & WARWICKSHIRE CHAMBER OF
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

15. LEASING AGREEMENTS - continued

Total future minimum lease payments receivable under non-cancellable operating leases are as follows:

Group

	2019 £	2018 £
Within one year	78,007	68,901
Between one and five years	<u>52,306</u>	<u>95,294</u>
	<u><u>130,313</u></u>	<u><u>164,195</u></u>

Company

	2019 £	2018 £
Within one year	78,007	68,901
Between one and five years	<u>52,306</u>	<u>95,294</u>
	<u><u>130,313</u></u>	<u><u>164,195</u></u>

Lease payments receivable relate to an agreement entered into in February 2016 to lease the ground floor of the property owned and partially occupied by Coventry and Warwickshire Chamber of Commerce.

16. PROVISIONS FOR LIABILITIES

	Group
	2019 £
Deferred tax	<u><u>11,000</u></u>
	2018 £
	<u><u>9,500</u></u>
Group	
	Deferred tax £
Balance at 1 April 2018	9,500
Movement in year	<u>1,500</u>
Balance at 31 March 2019	<u><u>11,000</u></u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 March 2019**

17. RESERVES

Group

	Income and expenditure account £	Revaluation reserve £	Investment property revaluation reserve £	Totals £
At 1 April 2018	5,288,188	112,300	66,243	5,466,731
Surplus for the year	186,266			186,266
Revaluation in year	-	5,595	-	5,595
Transfer	(5,595)	-	5,595	-
At 31 March 2019	<u>5,468,859</u>	<u>117,895</u>	<u>71,838</u>	<u>5,658,592</u>

Company

	Income and expenditure account £	Revaluation reserve £	Investment property revaluation reserve £	Totals £
At 1 April 2018	4,570,619	66,244	112,299	4,749,162
Surplus for the year	16,633			16,633
Revaluation in year	-	5,595	-	5,595
Transfer	(5,595)	-	5,595	-
At 31 March 2019	<u>4,581,657</u>	<u>71,839</u>	<u>117,894</u>	<u>4,771,390</u>

Income and expenditure account

This represents cumulative surpluses and deficits net of other adjustments.

Revaluation reserve

This represents the cumulative effect of revaluations of tangible fixed assets where a policy of revaluation has been adopted.

Investment property revaluation reserve

Where the investment property is measured at fair value a transfer is made to the reserve, instead of a transfer to retained earnings, to assist with the identification of the revaluation.

18. PENSION COMMITMENTS

The group operates a defined contribution scheme for employees. Contributions to the scheme during the financial year amounting to £119,498 (2018: £114,548) have been charged to the profit and loss account. At 31 March 2019 there were £25,513 (2018: £22,250) of contributions that had not been paid over to the pension scheme.

19. RELATED PARTY DISCLOSURES

Key management personnel compensation in the year totalled £344,228 (2018 - £231,314).