

Registered number: 02531345

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
(Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
(Limited by Guarantee)

COMPANY INFORMATION

Directors M K Ashton (resigned 1 April 2017)
J M McBride
A Borwell-Fox
S M Smith (appointed 1 April 2017)
B Mannion
M G Forrester

Company secretary MFG Solicitors LLP

Registered number 02531345

Registered office Severn House
Prescott Drive
Worcester
WR4 9NE

Independent auditor Crowe U.K. LLP
Carrick House
Lypiatt Road
Cheltenham
GL50 2QJ

Bankers HSBC Bank PLC
6 Broad Street
Worcester
WR1 2EJ

Solicitors Harrison Clark Rickerbys
5 Deansway
Worcester
WR1 2JG

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
(Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2018

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

Directors' responsibilities statement

The directors are responsible for preparing 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

Directors

The directors who served during the year were:

M K Ashton (resigned 1 April 2017)
J M McBride
A Borwell-Fox
S M Smith (appointed 1 April 2017)
B Mannion
M G Forrester

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

Business review and principal activity

Herefordshire and Worcestershire Chamber of Commerce is a not for profit membership organisation whose vision is to build the economic strength of Herefordshire and Worcestershire. It achieves this by supporting its members and wider customers through communication, networking, representation, lobbying and by acting as a key influencer and partner throughout the two Counties, regionally, nationally and internationally.

The Chamber provides opportunities for members and other businesses to network and improve local supply chains; focused and relevant commercial training; a portfolio of value based commercial services using the leverage of our membership base and engagement with all sizes of business, from the large to the small.

We are at the forefront of partnership activity in the sub-region ensuring that the private sector is fully represented on all key groupings. We aim to act as a facilitator between industry, commerce, education and government in order to strengthen the opportunities for enterprise within the counties

The financial outturn for the year was positive, producing a surplus of £141,918 (2017: £94,524) before taxation, increasing the balance sheet reserves to £934,590 (2017: £792,672).

We remain a viable membership driven organisation, with members at the heart of all we do. Our key areas of expertise continue to be Business Engagement, International Trade and Tourism, successfully bidding for new opportunities to secure public funding to support these activities.

The Chamber's 3 year business plan forecasts our growth to over 1,500 members by 2019, alongside 300+ unique Tourism members. We continue to deliver over 150 events per year, including 2 large, successful Expos and a prestigious Awards ceremony with over 600 guests in June 2018; celebrating the success of Herefordshire and Worcestershire businesses.

Our work with larger, strategic businesses remains strong, ensuring our engagement and deep understanding of the needs of those businesses. Our partnerships with County, City and District Councils and the Local Enterprise Partnerships allow us to offer business solutions for the benefit of the client and the local economy as a whole.

We deliver International Trade services with the Department for International Trade, these are well established, integrated and embedded within the Chamber partnerships and local businesses. We have entered our third year delivering the Worcestershire Growth Hub (Worcestershire Business Central) in partnership with the Worcestershire Local Enterprise Partnership, Worcestershire County Council and the District Councils along with European match funding. Tourism support services continue with the delivery of Visit Worcestershire and Visit Herefordshire.

Customer take up of our commercial services such as training and documentation remains consistent, and we will continue to monitor our own delivery of services alongside our clients reports regarding economic trading conditions, particularly in light of the Government and Brexit changes.

Whilst the Chamber remains locally focused in terms of our customer base, we continue to promote local and national service offers combined with national and international business updates and information.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 19/11/18 and signed on its behalf.



S M Smith
Director

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEREFORDSHIRE AND
WORCESTERSHIRE CHAMBER OF COMMERCE**

Opinion

We have audited the financial statements of Herefordshire and Worcestershire Chamber of Commerce (the 'Company') for the year ended 31 March 2018, which comprise the Statement of comprehensive income, the Balance sheet and the related notes, 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 Company's affairs as at 31 March 2018 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report 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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEREFORDSHIRE AND
WORCESTERSHIRE CHAMBER OF COMMERCE (CONTINUED)**

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, 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.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEREFORDSHIRE AND
WORCESTERSHIRE CHAMBER OF COMMERCE (CONTINUED)**

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: 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 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.

NOT YET SIGNED (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Carrick House

Lypiatt Road

Cheltenham

GL50 2QJ

Date:

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018

	2018 £	2017 £
Income	3,401,513	2,983,060
Direct expenditure	(2,659,584)	(2,173,944)
Contribution to operating costs	741,929	809,116
Operating costs	(584,726)	(697,668)
Operating surplus	157,203	111,448
Interest payable and expenses	(15,285)	(16,924)
Surplus before tax	141,918	94,524
Surplus for the financial year	141,918	94,524

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 20 form part of these financial statements.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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REGISTERED NUMBER: 02531345

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	8	44,448	5,874
Tangible assets	9	1,171,351	1,196,998
		<u>1,215,799</u>	<u>1,202,872</u>
Current assets			
Stocks	10	-	14,197
Debtors: amounts falling due within one year	11	704,624	699,271
Cash at bank and in hand		373,696	291,129
		<u>1,078,320</u>	<u>1,004,597</u>
Creditors: amounts falling due within one year	12	(1,272,912)	(1,221,322)
Net current liabilities		<u>(194,592)</u>	<u>(216,725)</u>
Total assets less current liabilities		<u>1,021,207</u>	<u>986,147</u>
Creditors: amounts falling due after more than one year	13	(86,617)	(193,475)
Net assets		<u><u>934,590</u></u>	<u><u>792,672</u></u>
Capital and reserves			
Income and expenditure account		934,590	792,672
		<u><u>934,590</u></u>	<u><u>792,672</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

19/11/18



S M Smith
Director

The notes on pages 9 to 20 form part of these financial statements.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. General information

Herefordshire and Worcestershire Chamber of Commerce is a private company, limited by guarantee, incorporated and domiciled in the United Kingdom. The address of its registered office is Severn House, Prescott Drive, Worcester, WR4 9NE. The company is registered at Companies House England and Wales. Its registered number is 02531345.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company continues to be profitable post year end and current forecasts indicate that the company is expected to remain profitable over the next twelve months. The company has sufficient cash to meet its day to day working capital requirements, and is making significant contributions towards paying off its existing bank facility. The bank loan is secured on a 30 year term and the directors are not aware of any circumstances that may adversely affect this facility.

In accordance with current forecasts, the company is expected to remain profitable and cash generative over the next twelve months. Accordingly, the directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and so continue to adopt the going concern basis in preparing the annual financial statements.

2.3 Cash flow

The financial statements do not include a Cash Flow Statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement in accordance with Section 1A of Financial Reporting Standard 102.

2.4 Income

The company receives income from membership subscriptions, commercial services sales, training, international trading and events.

All income is net of Value Added Tax.

Membership income is accounted for over the period to which the subscription relates. All other income is invoiced when earned and accounted for in the period in which it is invoiced.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Website	-	Over 3 years
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2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	Over 50 years
Fixtures & fittings	-	Over 1 - 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. Such assets and liabilities are measured at the transaction price, less any impairment and net of transaction costs.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.13 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

3. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £7,500 (2017 - £6,715).

4. Employees

The average monthly number of employees, including directors, during the year was 63 (2017 - 59).

5. Taxation

Factors affecting tax charge for the year

The tax adjusted trading profit for the period has been deducted from unrestricted trading losses brought forward.

Factors that may affect future tax charges

The company has unrestricted trading losses of £1,258,000 (2017 - £1,268,000), restricted trading losses of £54,000 (2017 - £54,000) and capital losses of £2,500,000 (2017 - £2,500,000) to carry forward and set against future trading profits and capital gains.

6. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	95,552	105,350
	<u>95,552</u>	<u>105,350</u>

During the year retirement benefits were accruing to 1 director (2017 - 1) in respect of defined contributions pension schemes.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

7. Fixed asset investments

The company has fully written down investments in wholly-owned subsidiary undertakings as follows:

i) Two £1 ordinary shares (being the entire issued share capital) of Chamber of Commerce Training Company Limited.

Chamber of Commerce Training Company Limited has remained dormant throughout the financial year and its net assets at 31 March 2018 were £Nil (2017 - £Nil).

The company's other investments are as follows:

ii) Herefordshire and Worcestershire Chamber of Commerce has interests in Malvern Hills Science Park Limited.

The investment in Malvern Hills Science Park at 31 March 2018 is 82 (2017 - 82) 1p ordinary shares and 62,797 (2017 - 62,797) 'P1' 1p preference shares. The total share capital of Malvern Hills Science Park as at 31 March 2018 is 100 (2017 - 100) 1p ordinary shares, 2,064,800 (2017 - 2,064,800) 'P1' 1p preference shares and 6,844 (2017 - 6,844) 'P2' £1 preference shares.

The company is not treated as a subsidiary undertaking because Herefordshire and Worcestershire Chamber of Commerce is unable to exercise any effective control over the activities of Malvern Hills Science Park Limited. Herefordshire and Worcestershire Chamber of Commerce has historically included this investment at a £nil value in the financial statements.

iii) Herefordshire and Worcestershire Chamber of Commerce is also a member directly or indirectly of the following entities:

Central Technology Belt

West Midlands Chambers of Commerce LLP (including its wholly owned subsidiarys)

Herefordshire and Worcestershire Business Link Limited (by guarantee)

The Three Counties Chamber of Commerce and Industry (A company limited by guarantee)

The Greater Birmingham and Solihull Local Enterprise Partnership (A company limited by guarantee)

Herefordshire and Worcestershire Chamber of Commerce is a member of West Midlands Chambers of Commerce LLP. West Midlands Chamber of Commerce LLP's group reserves at 31 March 2017 were £510,000 (2016 - £475,000) of which Herefordshire and Worcestershire Chamber of Commerce's share was £89,000 (2016 - £81,000) in accordance with the profit share agreement. Herefordshire and Worcestershire Chamber of Commerce has accounted for its interest in this entity as an investment at nil cost. Any future distributions will be accounted for on a cash basis.

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NOTES TO THE FINANCIAL STATEMENTS
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8. Intangible assets

	Website £
Cost	
At 1 April 2017	32,425
Additions	49,500
At 31 March 2018	<u>81,925</u>
Amortisation	
At 1 April 2017	26,551
Charge for the year	10,926
At 31 March 2018	<u>37,477</u>
Net book value	
At 31 March 2018	<u>44,448</u>
<i>At 31 March 2017</i>	<u>5,874</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

9. Tangible fixed assets

	Freehold property £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 April 2017	1,323,467	351,678	1,675,145
Additions	-	15,606	15,606
Disposals	-	(388)	(388)
At 31 March 2018	<u>1,323,467</u>	<u>366,896</u>	<u>1,690,363</u>
Depreciation			
At 1 April 2017	160,576	317,571	478,147
Charge for the year on owned assets	21,289	19,964	41,253
Disposals	-	(388)	(388)
At 31 March 2018	<u>181,865</u>	<u>337,147</u>	<u>519,012</u>
Net book value			
At 31 March 2018	<u><u>1,141,602</u></u>	<u><u>29,749</u></u>	<u><u>1,171,351</u></u>
At 31 March 2017	<u><u>1,162,891</u></u>	<u><u>34,107</u></u>	<u><u>1,196,998</u></u>

The value of land which is not depreciated is £520,000.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

10. Stocks

	2018	2017
	£	£
Finished goods and goods for resale	-	14,197
	<u>-</u>	<u>14,197</u>
	<u>-</u>	<u>14,197</u>

11. Debtors

	2018	2017
	£	£
Trade debtors	636,355	482,201
Other debtors	114	783
Prepayments and accrued income	68,155	216,287
	<u>704,624</u>	<u>699,271</u>
	<u>704,624</u>	<u>699,271</u>

12. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Bank loans	108,216	160,713
Trade creditors	183,020	172,854
Other taxation and social security	173,037	146,615
Other creditors	419,856	404,112
Accruals and deferred income	388,783	337,028
	<u>1,272,912</u>	<u>1,221,322</u>
	<u>1,272,912</u>	<u>1,221,322</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

13. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	86,617	193,475
	86,617	193,475
	86,617	193,475

Secured loans

The bank loan is secured by a first legal charge dated 11 September 2008 over the company's freehold property, and a debenture dated 18 August 2008 over its remaining current and future assets.

The bank loan is a long term capital and interest repayment loan which is under a thirty year term until March 2041. HSBC has taken additional security in the form of a charge over the shares held in Malvern Hills Science Park Limited.

14. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Bank loans < 1 yr	108,216	160,713
	108,216	160,713
Bank loans: falling due in 1 - 2 years	8,914	11,011
Bank loans: falling due in 2 - 5 years	18,560	22,951
Bank loans: falling due in greater than 5 years	59,143	159,513
	194,833	354,188
	194,833	354,188

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

15. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>1,062,219</u>	<u>930,247</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(1,025,687)</u>	<u>(1,126,545)</u>

Financial assets measured at amortised cost comprise of: cash at bank, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of: trade creditors, other creditors, accruals and bank loans.

16. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

17. Commitments under operating leases

At 31 March 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	10,782	8,327
Later than 1 year and not later than 5 years	12,536	10,785
	<u>23,318</u>	<u>19,112</u>

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

18. Related Party Transactions

The entities below are related to Herefordshire and Worcestershire Chamber of Commerce through common directorships as indicated. The following material transactions were undertaken on a commercial basis.

	2018 Net debtor / (creditor) £	2018 Income £	2018 Expenditure £	2017 Net debtor / (creditor) £	2017 Income £	2017 Expenditure £
Borwell Limited (A Borwell-Fox)	417	2,506	12,227	6	1,653	7,282
Central Technology Belt (M K Ashton)	-	-	-	-	3,810	-
Hewett Recruitment (B Mannion)	(4,517)	22,365	32,433	4,268	17,726	-
IE Development Limited (S R Speight)	-	-	-	-	230	-
Lesk Engineers Limited (J M McBride)	-	-	-	-	960	-
Malvern Hills Science Park Limited (M K Ashton)	-	288	36	-	230	-
Megan Baker House Limited (J M McBride)	(3)	633	-	147	896	-
Orchard Valley Food Limited (M G Forrester)	6	13,153	-	182	6,867	-
Herefordshire County Council	-	-	-	-	3,429	-
Worcestershire County Council	-	-	-	32,531	945,423	1,691

19. Post balance sheet events

On 21 May 2018 £100,000 of the loan facility was paid off as a lump payment. This has been disclosed as a liability due in less than one year on the balance sheet at 31 March 2018.

