

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

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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

COMPANY INFORMATION

Directors	C Brooks (appointed 27 September 2022) M G Forrester B Mannion (resigned 27 September 2022) M H Smith S M Smith C Walklett
Company secretary	MFG Solicitors LLP
Registered number	02531345
Registered office	Severn House Prescott Drive Worcester WR4 9NE
Independent auditor	Crowe U.K. LLP Fourth Floor St James House St James Square Cheltenham GL50 3PR
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
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Directors present their report and the financial statements for the year ended 31 March 2023.

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 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 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.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Business review and principal activity

Herefordshire and Worcestershire Chamber of Commerce is a not for profit, membership organisation, limited by guarantee. Our key purpose is to build economic strength within Herefordshire and Worcestershire, by supporting our members and the whole business community to achieve success.

We represent our members locally, regionally, nationally, and internationally, acting as a key influencer and facilitator between business and government on the key challenges of businesses.

At the heart of the Chamber is our engagement and involvement with members, in a range of collaborative networks that support the development of opportunities, relationships and the local economy. Through representation, connections, and promotion, we ensure members increase their profile, gain business, and have access to responsive and relevant business solutions to enable them to thrive and grow.

In addition, the Chamber supports all businesses within the local community by providing a range of relevant services and opportunities to engage in greater economic success.

We are at the forefront of partnership activity in the two counties, ensuring that the business community is fully represented on all key strategic groups locally, regionally, nationally, and internationally. The Chamber facilitates between industry, commerce, education, government, and public sector organisations to strengthen enterprise and the economy within the two counties.

The financial outturn for the year was positive, producing a surplus of £77,144 before taxation, increasing the balance sheet reserves to £1,495,354.

While our financial position remains strong during the ongoing economic uncertainty, we will continue to review and adapt our services to meet our business's needs by ensuring we remain up to date with current information, and the support that is available, taking care to listen to and signpost our businesses efficiently and effectively.

Our membership journey remains well considered and executed, with our strategy to increase membership numbers and ensure our ongoing capacity and market share. Following the pandemic and suffering an understandable decrease in our membership numbers, we remain committed to our strategy aiming to recover this loss and to utilise our internal and external business information and intelligence to ensure our high level and high-quality activity continues to convert into impact for our members.

The success of Herefordshire and Worcestershire Chamber of Commerce is celebrated at a local and national level, with members, partners, the British Chamber of Commerce, the Board, and staff being immensely proud of our position as an organisation. We remain true to our vision and our company values and will continue to navigate our members and our customers through the future national and international challenges and opportunities of 2023 and beyond.

Directors

The Directors who served during the year were:

C Brooks (appointed 27 September 2022)
M G Forrester
B Mannion (resigned 27 September 2022)
M H Smith
S M Smith
C Walklett

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

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

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 2023, 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 2023 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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

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)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

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)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and income recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases. In addition to this we have also performed detailed testing (on a sample basis) across all income streams, and completed cut off testing around year end to ensure that income has been recognised in the correct accounting period.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

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)**

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.

THIS REPORT HAS NOT YET BEEN SIGNED (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR
Date:

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
Turnover	2,663,287	3,134,035
Cost of sales	(2,122,196)	(2,436,478)
Gross profit	541,091	697,557
Administrative expenses	(565,255)	(559,394)
Other operating income	103,455	-
Operating profit	79,291	138,163
Interest receivable and similar income	3,178	-
Interest payable and similar expenses	(5,325)	(5,358)
Profit before tax	77,144	132,805
Profit for the financial year	77,144	132,805

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 10 to 19 form part of these financial statements.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02531345

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	9	64,817	72,293
Tangible assets	10	1,118,799	1,162,876
		<u>1,183,616</u>	<u>1,235,169</u>
Current assets			
Debtors: amounts falling due within one year	11	432,006	626,214
Bank & cash balances		947,387	739,152
		<u>1,379,393</u>	<u>1,365,366</u>
Creditors: amounts falling due within one year	13	(1,067,655)	(1,182,325)
Net current assets		<u>311,738</u>	<u>183,041</u>
Total assets less current liabilities		<u>1,495,354</u>	<u>1,418,210</u>
Net assets		<u><u>1,495,354</u></u>	<u><u>1,418,210</u></u>
Capital and reserves			
Profit and loss account		1,495,354	1,418,210
		<u><u>1,495,354</u></u>	<u><u>1,418,210</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

S M Smith
Director

The notes on pages 10 to 19 form part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 financial outturn for the year was positive, producing a surplus of £77,144 before taxation, increasing the balance sheet reserves to £1,495,354.

The company's financial position remains strong during the ongoing economic uncertainty, but the Directors continue to review and adapt the services offered to meet the business's needs.

The company has sufficient cash to meet its day to day working capital requirements and there are no external sources of funding.

The Directors have prepared company forecasts and have a reasonable expectation that the company will have adequate resources to be able to continue in operational existence for 12 months beyond the date of signing the financial statements and so continue to adopt the going concern basis in preparing the 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, events and contract funding.

The majority of income is net of Value Added Tax, with some contract funding for example; European funding, being outside the scope of Value Added Tax.

Membership income is accounted for over the period to which the subscription relates. Other income is either invoiced when earned and accounted for in the period in which it is invoiced; or invoiced in advance and accounted for when the activity/service takes place.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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
Property improvements	- Over 5 - 10 years
Fixtures & fittings	- Over 1 - 5 years
Office Equipment	- Over 3 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 profit or loss.

2.7 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.

2.8 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.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.10 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 profit or loss 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.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in profit or loss 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.

3. Other operating income

	2023 £	2022 £
Profit distribution from West Midlands Chamber of Commerce LLP	103,455	-
	<u>103,455</u>	<u>-</u>

4. Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditor:

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	9,525	7,500
	<u>9,525</u>	<u>7,500</u>

5. Employees

The average monthly number of employees, including directors, during the year was 45 (2022 - 55).

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. 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 £874,000 (2022 - £855,000) and capital losses of £2,549,000 (2022 - £2,550,000) to carry forward and set against future trading profits and capital gains.

7. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	106,161	93,580
	<u>106,161</u>	<u>93,580</u>

During the year retirement benefits were accruing to 1 director (2022 - 1) in respect of defined contributions pension schemes.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. 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 2023 were £Nil (2022 - £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 2023 is 82 (2022 - 82) 1p ordinary shares and 62,797 (2022 - 62,797) 'P1' 1p preference shares. The total share capital of Malvern Hills Science Park as at 31 March 2023 is 100 (2022 - 100) 1p ordinary shares, 2,064,800 (2022 - 2,064,800) 'P1' 1p preference shares and 6,844 (2022 - 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 subsidiaries)

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 30 June 2022 were £592,917 (31 March 2021 - £531,920) of which Herefordshire and Worcestershire Chamber of Commerce's share was £103,455 (31 March 2021 - £92,812) in accordance with the profit share agreement.

Herefordshire and Worcestershire Chamber of Commerce has previously accounted for its interest in this entity as an investment at nil cost with future distributions expected to be accounted for on a cash basis.

In the year to 30 June 2023, West Midlands Chamber of Commerce LLP transferred all activities and staff, with the LLP subsequently being wound up. The profits were distributed at this point, and the profit share owed to Herefordshire and Worcestershire Chamber of Commerce of £103,455 has been recognised in the year as other operating income.

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Intangible assets

	Patents £	Computer software £	Assets under construction £	Total £
Cost				
At 1 April 2022	62,580	-	72,293	134,873
Disposals	-	-	(7,476)	(7,476)
Reclassified to held for sale	-	64,817	(64,817)	-
At 31 March 2023	62,580	64,817	-	127,397
Amortisation				
At 1 April 2022	62,580	-	-	62,580
At 31 March 2023	62,580	-	-	62,580
Net book value				
At 31 March 2023	-	64,817	-	64,817
At 31 March 2022	-	-	72,293	72,293

HEREFORDSHIRE AND WORCESTERSHIRE CHAMBER OF COMMERCE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Tangible fixed assets

	Freehold property £	L/Term Leasehold Property £	Fixtures & fittings £	Other fixed assets £	Total £
Cost or valuation					
At 1 April 2022	1,323,467	58,553	424,583	1,132	1,807,735
Additions	-	-	4,151	-	4,151
Disposals	-	-	(154,915)	-	(154,915)
At 31 March 2023	1,323,467	58,553	273,819	1,132	1,656,971
Depreciation					
At 1 April 2022	255,889	17,004	370,834	1,132	644,859
Charge for the year on owned assets	16,596	5,898	25,605	-	48,099
Disposals	-	-	(154,786)	-	(154,786)
At 31 March 2023	272,485	22,902	241,653	1,132	538,172
Net book value					
At 31 March 2023	1,050,982	35,651	32,166	-	1,118,799
At 31 March 2022	1,067,578	41,549	53,749	-	1,162,876

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

11. Debtors

	2023 £	2022 £
Trade debtors	318,882	528,004
Other debtors	-	783
Prepayments and accrued income	113,124	97,427
	432,006	626,214

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Cash and cash equivalents

	2023	2022
	£	£
Cash at bank and in hand	947,387	739,152
	<u>947,387</u>	<u>739,152</u>

13. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	162,583	107,606
Other taxation and social security	122,009	151,065
Other creditors	388,310	397,303
Accruals and deferred income	394,753	526,351
	<u>1,067,655</u>	<u>1,182,325</u>

14. Financial instruments

	2023	2022
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	947,387	739,152
Financial assets that are debt instruments measured at amortised cost	318,882	528,787
	<u>1,266,269</u>	<u>1,267,939</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(928,493)</u>	<u>(1,004,825)</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.

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15. 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.

16. Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	8,008	13,246
Later than 1 year and not later than 5 years	3,138	7,696
	<u>11,146</u>	<u>20,942</u>

17. Related party transactions

All related party transactions are considered to be at arms length and therefore, in accordance with FRS 102 Section 1A, no disclosure of these transactions is required.