

PROFESSIONALIVERPOOL LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

PROFESSIONAL LIVERPOOL LIMITED
(A company limited by guarantee)

COMPANY INFORMATION

Directors	Philip James Adams Irene Esi Afful (appointed 19 November 2020) Gordon Andrews Julie Campbell Mark Philip George Davies Helen Legg (appointed 19 November 2020) Matthew Philip Maclaren (appointed 19 November 2020) Benjamin Cavan Michael Miller Matthew Leslie Noon Janet Kim Peters (resigned 19 November 2020) Anthony Reed Philip James Rooney Emma Jane Stoddart Simon Ian Walker
Company secretary	Philip James Adams
Registered number	06431249
Registered office	Suite 111d Cotton Exchange Building Bixteth Street Liverpool L3 9LQ

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Business review

Our new CEO, Andrew Ruffler, assumed his position on the first day of the financial year, having joined the organisation a fortnight earlier in the throes of the first lockdown. Andrew ensured that the team quickly adapted to remote working and set about securing the organisation's position with both members and the wider business community in the Liverpool City Region. The overall objective has been to ensure that quality online content is available to members in the absence of "in person" events and that the organisation lives up to its strategic vision "to be the professional community in the region". A full programme of events has been delivered albeit via the modern media of Zoom and Teams.

The organisation delivered 40 online events during the year featuring a number of entertaining and informative speakers. Keeping members abreast of the response of the LCR Combined Authority and Liverpool City Council to the economic and social effects of the pandemic has been high on the organisation's agenda. This was manifest in the online Q&A sessions organised with Tony Reeves (CEO) and his colleagues at Liverpool City Council and with Steve Rotheram, Metro Mayor. Matt Ashton, Chief Medical Officer for Liverpool, also presented on the data and health impacts of the pandemic in January 2021. As the pandemic has been no respecter of geography, a number of joint sessions were organised with pro-Manchester not only with Steve Rotheram and Andy Burnham, Metro Mayor for Greater Manchester, focussing on "Build Back Better" and on growth and connectivity in the north west, but also with the Chief Economist of long-standing member Investec who provided updates on economic issues in both June and October 2020 and April 2021. On more general topics, the organisation arranged a fascinating "Meet the Media" session with local journalists in November 2020, facilitated by Chris Hume of member Influential, and a very well attended "In conversation with..." event in February 2021 with James Timpson, CEO of Timpsons Plc, facilitated by board member, Helen Legg of Tate Liverpool.

Stakeholder engagement has been strengthened during the year. The organisation was one of the principal consultees for the economic plans submitted to Government in response to the pandemic by both the Combined Authority and Liverpool City Council; this included a Board discussion on economic priorities with Mark Bousfield, the then Director of Commercial Development and Investment at the Combined Authority. Close connections have also been maintained with the Professional and Business Services Board of the Local Enterprise Partnership; in addition to a number of members of the organisation's board also being members of the PBS Board, formal reciprocal arrangements have been agreed for the Chair of the PBS Board and the organisation's CEO to attend the other's board meetings. The CEO participated in the recruitment process for the new Chief Executive of the LCR Combined Authority.

The Board and the team have been very grateful for the continued loyalty of members in these difficult times. Whilst a number, particularly those in the hospitality sector, have suspended their membership, the vast majority renewed in both 2020 and 2021. Membership at the end of the financial year stood at 394 members with new membership applications being received on a regular basis. Notwithstanding the robust subscription renewals, the Board felt it prudent to take advantage of the Government's Bounce Back Loan Scheme to provide additional financial security and drew down a loan in November 2020. Repayments will form part of the organisation's "business as usual" outgoings from December 2021.

As "in person" events are now resuming, the organisation is pursuing a cautious approach but received tremendous demand for tickets for summer drinks for members in August 2021, its first event since March 2020. It is anticipated that the return of popular events will lead to an increase in income over the next year.

In response to the pandemic, the business continuity plans outlined above have resulted in operations continuing, yet trading activity has been impacted by the reduced number of members and events resulting in a loss for the year. Liquidity has been maintained and the additional funding secured in the year has given support as the company returns to profitability. The directors have considered the most recent trading results and cash flow forecasts covering a period of 12 months from the approval of these financial statements, which take account of reasonable possible changes intrading and the repayment of the funding as detailed in note 13. After taking into account the current economic uncertainty regarding the COVID-19 pandemic and the mitigating factors above and adopting sensible but conservative assumptions on anticipated activity, the directors have

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

concluded that the company should continue to prepare the financial statements on a going concern basis as there are sufficient resources and facilities to continue in operational existence for the foreseeable future and operate for a period of at least 12 months from the date of signing of these financial statements

Directors

The directors who served during the year were:

Philip James Adams
Irene Esi Afful (appointed 19 November 2020)
Gordon Andrews
Julie Campbell
Mark Philip George Davies
Helen Legg (appointed 19 November 2020)
Matthew Philip Maclaren (appointed 19 November 2020)
Benjamin Cavan Michael Miller
Matthew Leslie Noon
Janet Kim Peters (resigned 19 November 2020)
Anthony Reed
Philip James Rooney
Emma Jane Stoddart
Simon Ian Walker

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 20 October 2021 and signed on its behalf.



Philip James Adams
Director

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**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover		106,044	168,927
Gross profit		106,044	168,927
Administrative expenses		(151,660)	(167,943)
Other operating income	4	13,603	16,674
Operating (loss)/profit		(32,013)	17,658
Interest receivable and similar income		55	143
(Loss)/profit before tax		(31,958)	17,801
Tax on (loss)/profit		(11)	(27)
(Loss)/profit after tax		(31,969)	17,774
Retained earnings at the beginning of the year		15,494	(2,279)
		15,494	(2,279)
(Loss)/profit for the year		(31,968)	17,774
Retained earnings at the end of the year		(16,474)	15,495

The notes on pages 7 to 17 form part of these financial statements.

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REGISTERED NUMBER: 06431249

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	6	-	2,973
Tangible assets	7	725	1,517
Investments	8	1	1
		<u>726</u>	<u>4,491</u>
Current assets			
Debtors: amounts falling due within one year	9	5,389	11,930
Cash at bank and in hand	10	95,583	75,136
		<u>100,972</u>	<u>87,066</u>
Creditors: amounts falling due within one year	11	(34,288)	(23,852)
Net current assets		66,684	63,214
Total assets less current liabilities			
		<u>67,410</u>	<u>67,705</u>
Creditors: amounts falling due after more than one year	12	(31,675)	-
Net assets		35,735	67,705
Capital and reserves			
Other reserves	15	52,210	52,210
Profit and loss account	15	(16,475)	15,495
		<u>35,735</u>	<u>67,705</u>

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BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 October 2021.



Philip James Adams
Director

The notes on pages 7 to 17 form part of these financial statements.

PROFESSIONAL LIVERPOOL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Professionaliverpool Limited is a private company limited by guarantee, which is incorporated under the Companies Act 2006 and registered in England (number 06431249). The address of the registered office is Suite 111d Cotton Exchange Building, Bixteth Street, Liverpool, L3 9LQ.

The principal activity of the company is promoting, supporting and representing the interests of the Professional and Business Services sector in the Liverpool City Region to support the Region's economic strategy in a fast-changing, globally-connected business environment.

These financial statements present information about the company as an individual undertaking: it is not a member of a group of companies.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The company's business activities, together with factors likely to affect future trading and liquidity and position including the impact of COVID-19, are set out in the directors report.

In response to the pandemic, the business continuity plans outlined in the directors report have resulted in operations continuing, yet trading activity has been impacted by the reduced number of members and events resulting in a loss for the year. Liquidity has been maintained and the additional funding secured in the year has given support as the company returns to profitability.

The directors have considered the most recent trading results and cash flow forecasts covering a period of 12 months from the approval of these financial statements, which take account of reasonable possible changes in trading and the repayment of the funding as detailed in note 13. The loan is repayable by instalments up to December 2026 which have been taken into account by the directors in assessing the company's ability to continue to trade as a going concern. The fact that the loan is not repayable until December 2026 provided financial security beyond the next 12 months.

After taking into account the current economic uncertainty regarding the COVID-19 pandemic and the mitigating factors above, the directors have concluded that the company should continue to prepare the financial statements on a going concern basis as there are sufficient resources and facilities to continue in operational existence for the foreseeable future and operate for a period of at least 12 months from the date of signing of the financial statements

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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue from general sponsorship income is recognised as turnover. Revenue from event sponsorship is recognised in event income within other income. Both are recognised in the period in which the services are provided.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.7 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.

2.8 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 website is being amortised evenly over its estimated useful life of three years.

2.9 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation 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:

Computer and office equipment - 33% on cost.

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.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 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.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and investments in ordinary shares.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Judgments are applied when considering depreciation rates and assets' useful economic lives.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Other operating income

	2021	<i>2020</i>
	£	£
Profit on events	(479)	<i>16,674</i>
CJRS Income received	1,082	-
Grants received	13,000	-
	<u>13,603</u>	<u><i>16,674</i></u>

5. Employees

The average monthly number of employees, excluding the directors, during the year was as follows:

	2021	<i>2020</i>
	No.	<i>No.</i>
Employees	<u>4</u>	<u><i>4</i></u>

No directors received any remuneration during the year (2018 - NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Intangible assets

	Website £
Cost	
At 1 April 2020	43,830
At 31 March 2021	<u>43,830</u>
Amortisation	
At 1 April 2020	40,857
Charge for the year on owned assets	2,973
At 31 March 2021	<u>43,830</u>
Net book value	
At 31 March 2021	<u>-</u>
<i>At 31 March 2020</i>	<u><u>2,973</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Tangible fixed assets

	Computer and office equipment £
Cost or valuation	
At 1 April 2020	5,491
At 31 March 2021	<u>5,491</u>
Depreciation	
At 1 April 2020	3,974
Charge for the year on owned assets	792
At 31 March 2021	<u>4,766</u>
Net book value	
At 31 March 2021	<u>725</u>
<i>At 31 March 2020</i>	<u>1,517</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 April 2020	1
At 31 March 2021	<u>1</u>

The investment comprises one ordinary share of £1.00 in Professional Liverpool Limited, being 100% of the issued share capital of that company, which does not trade.

9. Debtors

	2021 £	2020 £
Trade debtors	1,320	5,977
Other debtors	2,263	2,939
Prepayments and accrued income	1,806	3,014
	<u>5,389</u>	<u>11,930</u>

10. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	95,583	75,136
	<u>95,583</u>	<u>75,136</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	£
Bank loans	2,125	-
Trade creditors	2,205	478
Corporation tax	11	49
Other creditors	-	11,902
Accruals and deferred income	29,947	11,423
	<u>34,288</u>	<u>23,852</u>

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

	2021	<i>2020</i>
	£	£
Bank loans	31,675	-
	<u>31,675</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	2,125	-
	2,125	-
Amounts falling due 2-5 years		
Bank loans	26,924	-
	26,924	-
Amounts falling due after more than 5 years		
Bank loans	4,752	-
	4,752	-
	33,801	-

In November 2020, the organisation borrowed £33,801 under the Government's Bounce Back Loan Scheme. The loan is repayable over six years, starting from December 2021, and carries an interest rate of 2.5%.

14. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	95,583	75,136
	95,583	75,136

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Reserves

Other reserves

Other reserves contains a capital reserve of £52,210 which arose on the transfer of net assets of the unincorporated business "Professionaliverpool" to the Company in March 2008.

Profit and loss account

Retained earnings includes all current and prior period retained profits and losses.

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. Contingent liabilities

During the year the company received grants totaling £3,000. Should certain conditions of the grant not be met then the grant would become repayable: however there are no such matters.

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**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover		106,044	168,927
Gross profit		<u>106,044</u>	<u>168,927</u>
Other operating income		<u>13,603</u>	<u>16,674</u>
Less: overheads			
Administration expenses		(151,659)	(167,943)
Operating (loss)/profit		<u>(32,012)</u>	<u>17,658</u>
Interest receivable		54	142
Tax on (loss)/profit on ordinary activities		(11)	(26)
(Loss)/Profit for the year		<u><u>(31,969)</u></u>	<u><u>17,774</u></u>

PROFESSIONAL LIVERPOOL LIMITED
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**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Turnover		
Subscriptions	106,044	152,419
Sponsorship	-	16,508
	<u>106,044</u>	<u>168,927</u>
	2021 £	2020 £
Other operating income		
Profit / (loss) on events	(479)	16,674
CJRS income received	1,082	-
Government grants receivable	13,000	-
	<u>13,603</u>	<u>16,674</u>
	2021 £	2020 £
Administration expenses		
Staff salaries	121,901	85,365
Staff training	500	5,500
Printing and stationery	1,827	949
Computer costs	5,282	4,251
General office expenses	-	43,561
Advertising and promotion	8,478	6,616
Legal and professional	675	1,175
Bank charges	390	318
Bad debts	2,303	-
Sundry expenses	186	1,292
Insurances	621	1,206
Sundry establishment expenses	5,731	5,531
Depreciation - plant and machinery	792	1,275
Amortisation - intangible fixed assets	2,973	10,904
	<u>151,659</u>	<u>167,943</u>

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SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

	2021	<i>2020</i>
	£	£
Interest receivable		
Bank interest receivable	54	<i>142</i>
	<hr/> 54 <hr/>	<hr/> <i>142</i> <hr/>