

PROFESSIONAL LIVERPOOL LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

PROFESSIONAL LIVERPOOL LIMITED
(A company limited by guarantee)

COMPANY INFORMATION

Directors	Philip James Adams (appointed 22 November 2018) Gordon Andrews (appointed 22 November 2018) Mark Philip George Davies Benjamin Cavan Michael Miller Matthew Leslie Noon Janet Kim Peters Anthony Reed Philip James Rooney Emma Jane Stoddart (appointed 22 November 2018) David William Varey Simon Ian Walker
Company secretary	Philip James Adams
Registered number	06431249
Registered office	Suite 111d Cotton Exchange Building Bixteth Street Liverpool L3 9LQ

PROFESSIONAL LIVERPOOL LIMITED
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PROFESSIONAL LIVERPOOL LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

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

Business review

The organisation's turnover increased by 15% during the year, in large part due to an increase in membership. As at 31 March 2019, there were 471 members (up from 421 the previous year).

However, overheads increased by some 30% during the same period which is attributable mainly to two elements: staff costs and amortisation.

A significant investment was made in staff costs in the year reflecting the need to service the expanded membership base and to maintain the standard of the organisation's events; 88 events were run in the year.

The directors also took the decision to increase the amortisation of the intangible asset which represents the organisation's website after re assessing the estimated residual value applied in previous years. Previously, the assessment of residual value was based on an expectation of an underlying value relating to a solid platform upon which further enhancements would be built. In the year ended 31 March 2019, the residual value was reassessed and it was concluded that this underlying value no longer existed due to the pace of technological change. The amortisation charge in the financial statements to 31 March 2019 of £19,008 now reflects the write down of the full cost of the website based on a useful economic life of three years.

As a result, overall, the organisation has made a loss of £13,294 for the year compared to a profit of £3,866 for the previous year. As per the going concern accounting policy, notwithstanding the loss for the year, the financial statements have been prepared on a going concern basis.

The directors remain focussed on the objective of producing a modest annual surplus to ensure the accumulation of adequate reserves to protect the organisation against material adverse changes in the external environment and are confident this can be achieved.

The organisation has continued to exert influence in the City region and was heavily involved in consultations on the benchmark report on the professional and business services sector commissioned by Liverpool City Region Local Enterprise Partnership.

In addition, the Region of the Future Series of member events has proved highly popular in connecting members with the people who and the projects which are transforming the Liverpool City Region; the question and answer sessions with Steve Rotheram (the Metro Mayor) and Tony Reeves (CEO of Liverpool City Council) were particularly well received.

In light of the collaboration between the Metro Mayors of Liverpool and Manchester, the Northern Powerhouse initiative, and the fact that many of Professional Liverpool's members operate out of both cities, the organisation reached out to pro-manchester to establish a working relationship with them. The approach was warmly received and John Hall, the organisation's CEO, has attended various functions in Manchester. Their CEO, likewise, has been to a number of Professional Liverpool events. Professional Liverpool held its first joint event with pro-manchester on Transport and Infrastructure and more such events are being planned.

The directors are confident that such activities, together with successful interactions with the Region's universities, will increase and will provide considerable benefits for the company and its members.

Directors

The directors who served during the year were:

Philip James Adams (appointed 22 November 2018)
Gordon Andrews (appointed 22 November 2018)
Mark Philip George Davies

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Benjamin Cavan Michael Miller
Matthew Leslie Noon
Janet Kim Peters
Anthony Reed
Philip James Rooney
Emma Jane Stoddart (appointed 22 November 2018)
David William Varey
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 5 November 2019 and signed on its behalf.



Philip James Adams
Director

PROFESSIONAL LIVERPOOL LIMITED
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**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
Turnover		135,205	118,073
Gross profit		135,205	118,073
Administrative expenses		(162,811)	(125,424)
Other operating income		14,223	11,201
Operating (loss)/profit		(13,383)	3,850
Interest receivable and similar income		110	20
(Loss)/profit before tax		(13,273)	3,870
Tax on (loss)/profit		(21)	(4)
(Loss)/profit after tax		(13,294)	3,866
Retained earnings at the beginning of the year		11,015	7,149
		11,015	7,149
(Loss)/profit for the year		(13,294)	3,866
Retained earnings at the end of the year		(2,279)	11,015

The notes on pages 6 to 14 form part of these financial statements.

PROFESSIONAL LIVERPOOL LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 06431249

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	<i>As restated</i> 2018 £
Fixed assets			
Intangible assets	6	13,878	32,887
Tangible assets	7	2,027	2,586
Investments	8	1	1
		<u>15,906</u>	<u>35,474</u>
Current assets			
Debtors: amounts falling due within one year	9	202,843	145,835
Cash at bank and in hand	10	60,327	29,403
		<u>263,170</u>	<u>175,238</u>
Creditors: amounts falling due within one year	11	(229,145)	(147,487)
Net current assets		<u>34,025</u>	<u>27,751</u>
Total assets less current liabilities		<u>49,931</u>	<u>63,225</u>
Net assets		<u>49,931</u>	<u>63,225</u>
Capital and reserves			
Other reserves		52,210	52,210
Profit and loss account		(2,279)	11,015
		<u>49,931</u>	<u>63,225</u>

PROFESSIONALIVERPOOL LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 06431249

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

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 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 5 November 2019.



Philip James Adams
Director

The notes on pages 6 to 14 form part of these financial statements.

PROFESSIONAL LIVERPOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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 directors have prepared forecasts, considered the current cash resources and current trading position and have considered the period of at least 12 months from the approval of these financial statements. As a result, the directors are not aware of any reasons why the financial statements should not be prepared under the principles of going concern and not withstanding the loss for the year have prepared the financial statements on the going concern basis.

PROFESSIONAL LIVERPOOL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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 sponsorship is recognised in the period in which the services are provided in accordance with the stage of completion of the contract subject to the conditions listed above.

2.4 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.5 Taxation

Tax is recognised in the Statement of income and retained earnings, 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 2019

2. Accounting policies (continued)

2.6 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.

2.7 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.

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 the Statement of income and retained earnings.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 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.

2.10 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.

PROFESSIONAL LIVERPOOL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.11 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.

2.12 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, loans from banks and other third parties, loans to related parties and investments in non-puttable 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.

4. Profit on events

	2019	<i>2018</i>
	£	£
Profit on events	14,223	<i>11,201</i>
	<u>14,223</u>	<u><i>11,201</i></u>

Other operating income relates to the surplus on events run during the year.

5. Employees

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

	2019	<i>2018</i>
	No.	No.
Employees	3	<i>2</i>
	<u>3</u>	<u><i>2</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 2019

6. Intangible assets

	Website £
Cost	
At 1 April 2018	43,830
At 31 March 2019	<u>43,830</u>
Amortisation	
At 1 April 2018	10,943
Charge for the year	19,009
At 31 March 2019	<u>29,952</u>
Net book value	
At 31 March 2019	<u>13,878</u>
<i>At 31 March 2018</i>	<u>32,887</u>

PROFESSIONAL LIVERPOOL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

7. Tangible fixed assets

	Computer and office equipment £
Cost or valuation	
At 1 April 2018	3,946
Additions	780
At 31 March 2019	<u>4,726</u>
Depreciation	
At 1 April 2018	1,360
Charge for the year on owned assets	1,339
At 31 March 2019	<u>2,699</u>
Net book value	
At 31 March 2019	<u>2,027</u>
<i>At 31 March 2018</i>	<u>2,586</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

8. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 April 2018	1
At 31 March 2019	<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

	2019 £	<i>As restated 2018 £</i>
Trade debtors	167,259	121,584
Prepayments and accrued income	35,584	24,251
	<u>202,843</u>	<u>145,835</u>

10. Cash and cash equivalents

	2019 £	<i>2018 £</i>
Cash at bank and in hand	60,327	29,403
	<u>60,327</u>	<u>29,403</u>

PROFESSIONAL LIVERPOOL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

11. Creditors: Amounts falling due within one year

	2019	<i>As restated</i>
	£	2018 £
Trade creditors	25,043	1
Corporation tax	22	4
Other taxation and social security	3,894	414
Other creditors	5,086	-
Accruals and deferred income	195,100	147,068
	229,145	147,487

12. Financial instruments

	2019	<i>2018</i>
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	60,327	29,403

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

Financial liabilities measured at amortised cost comprise of trade creditors and accruals.

13. 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.

14. 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.

PROFESSIONAL LIVERPOOL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Prior year adjustment

At 31 March 2019, future subscriptions for the year to 31 March 2020 had been invoiced to members. As a result, the amounts due are included in debtors and the income deferred.

Comparing with the comparative information at 31 March 2018, it was established that the subscriptions for the year to 31 March 2019 had been invoiced in March 2018 and therefore the financial statements to 31 March 2018 should also have included debtors and deferred income in respect of these amounts.

As a result the comparative information has been amended to increase debtors by £118,315 and increase deferred income by £118,315 with no impact on profit for the year to 31 March 2018 or net assets at 31 March 2018.

PROFESSIONAL LIVERPOOL LIMITED
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**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
Turnover		135,205	118,073
Gross profit		<u>135,205</u>	<u>118,073</u>
Profit on events		<u>14,223</u>	<u>11,201</u>
Less: overheads			
Administration expenses		(162,810)	(125,424)
Operating (loss)/profit		<u>(13,382)</u>	<u>3,850</u>
Interest receivable		110	20
Tax on (loss)/profit on ordinary activities		(22)	(4)
(Loss)/Profit for the year		<u><u>(13,294)</u></u>	<u><u>3,866</u></u>

PROFESSIONAL LIVERPOOL LIMITED
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**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Turnover		
Subscription income	133,372	118,073
Sponsorship income	1,833	-
	<u>135,205</u>	<u>118,073</u>
	2019 £	2018 £
Profit on events		
Profit on events	14,223	11,201
	<u>14,223</u>	<u>11,201</u>
	2019 £	2018 £
Administration expenses		
Staff salaries (including employer's national insurance and pension contributions)	75,741	52,648
Computer costs, printing and stationery	3,520	1,587
Administration fees and expenses	44,538	41,510
Advertising and promotion	9,275	13,810
Legal and professional	1,485	310
Bank charges	431	119
Bad debts	-	199
Insurances	794	873
Premises expenses	5,188	5,993
Sundry expenses	1,491	673
Depreciation - plant and machinery	1,339	992
Amortisation - intangible fixed assets	19,008	6,710
	<u>162,810</u>	<u>125,424</u>
	2019 £	2018 £
Interest receivable		
Bank interest receivable	110	20
	<u>110</u>	<u>20</u>

