

Registered number: 5245944

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**Greater Manchester Chamber of Commerce**  
**(A company limited by guarantee)**

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**Directors' Report and Financial Statements**

**For the year ended 31 March 2016**

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**Greater Manchester Chamber of Commerce**  
**(A company limited by guarantee)**

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**Company Information**

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<b>Directors</b>	P Cusack - Chairman (2015 - Present) W Jones - President (2015 - Present) S Burne - Vice President (2014 - Present) C A J Memmott - Chief Executive J A Boardman C Fossey E E Holt Rt Hon Baroness B J Hughes B Wilkinson M Pike (appointed 25 July 2015) R Phillips (appointed 16 October 2015)
<b>Company secretary</b>	M Mason
<b>Registered number</b>	5245944
<b>Registered office</b>	Elliot House 151 Deansgate Manchester M3 3WD
<b>Independent auditors</b>	Hurst & Company Accountants LLP Chartered Accountants & Statutory Auditors Lancashire Gate 21 Tiviot Dale Stockport Cheshire SK1 1TD

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**Greater Manchester Chamber of Commerce**  
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**Directors' Report**  
**For the year ended 31 March 2016**

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The directors present their report and the audited financial statements for the year ended 31 March 2016.

**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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

**Principal activities**

The Chamber is a company limited by guarantee and its main activities are those of a business representation body that provides a powerful and authentic voice for business in Greater Manchester and a wide range of high quality business services for our members.

**Directors' Review of the Year**

Following the relocation in December 2014, this has been the first full year of Chamber operations based at Elliot House, in Deansgate, Manchester. The move has proved to be very successful in relation to the stated objectives of providing exceptional facilities and services to our members in a prime central location. The main operational focus in the year was to consolidate and build on our current 3 core services: membership, skills and export services. New services have also been developed and "GM Chamber Space" was launched in Autumn 2015. This is a commercial meeting and events service to both members and non-members. We have continued to expand our International Trade Services building on our success in winning a National Award for Excellence in International Trade Services in 2015.

The Chamber has continued to develop and strengthen Governance arrangements and make them more transparent to provide greater clarity to members on the respective roles of the Board and the Assembly, and how they can be involved in the development of the Chambers policy and campaigning work.

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**Greater Manchester Chamber of Commerce**  
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**Directors' Report**  
**For the year ended 31 March 2016**

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During the year David McKeith stepped down as Chamber Chair after 7 years and was succeeded by Phil Cusack, formerly the Chamber President. David made an outstanding contribution to the Chamber, he was also President in 2007/2008, and was awarded life membership in recognition of these achievements. Wayne Jones OBE was elected Chamber President at the AGM. During his term, Wayne, a senior executive and Member of the Executive Board of MAN Diesel and Turbo SE, has identified the manufacturing and engineering sector, skills for young people and international trade as his three Presidential Themes.

The Chamber's underlying financial performance and cash flow remain strong. The balance sheet at 31 March 2016 shows a positive cash balance of £1m and reserves (before long term pension liabilities) of £1.1m. The value of the long term pension liability reduced by £400k during the year to £1.6m. During 2015-16, the Chamber made a profit before exceptional costs of £87k, this compares to £69k in the previous year. Exceptional costs of £282k were charged against this profit (£nil last year). This is made up of: redundancy costs of £121k and a provision for the costs associated with the cessation of the Churchgate House lease in November 2016, of £161k. After accounting adjustments made under the FRS17 pension regulations, the Chamber is reporting a deficit of £167k, this compares to a surplus of £105k in 2014-15. The accounts have therefore been prepared on a going concern basis.

**Key Performance Indicators**

	<b>Year on Year Change</b>
Number of Members	+5%
UK Chamber ranked by size	First
Income from Members	+13%
Resignations	-25%
Qualified Apprentices through Chamber Managed Schemes	432
Export Documents Issued	-6%

The number of members increased by 5% to over 4,700 and GMCC has over 20% more members than the UK's next biggest Chamber of Commerce. Growth was reasonably well balanced throughout the Greater Manchester Area. The retention rate continues to improve and resignations were significantly lower than the previous year. Member income grew strongly in the period.

Continued investment in the membership team and membership services, delivered higher levels of customer service and satisfaction, reflected in growing membership income. Outstanding service to our members remains the primary goal of the organisation.

Over 8,500 people attended our Events Programme in the year, an increase of 24% over the previous year. Significant savings were also achieved for members through the Chamber Rewards scheme and a range of specialist services.

Export services continue to contribute strongly to the Chamber's performance. In the year 2015-16, the Export Documentation team processed 36,000 documents for our customers.

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**Directors' Report**  
**For the year ended 31 March 2016**

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The ongoing development of a broad range of International Trade Services is progressing well and strong links with Chambers of Commerce throughout the world is delivering increased value for members. In the year there was 34 visits (c400 delegates) to Elliot House by overseas Chambers, Embassies and inward delegations. As stated earlier, the quality of the service was recognised by a national award.

Skills Services successfully delivered a number of large public sector contracts. Performance in relation to the Employer Ownership of Skills Contract was outstanding with nearly 1,000 apprenticeships and over 1,000 vocational courses delivered for businesses working with 35 Colleges and Training Providers nationwide. The Skills Review contract enabled the team to work with over 800 SME's to help them upskill their employees.

In parallel with funded programmes the Skills Team is developing a broad range of commercial services including Professional Development Programmes offering a range of executive support programmes from a dispute management service to high level management and coaching.

Further investment was made in to our marketing and campaigning activities. In addition to the success and interest generated by the "Campaign for Business", the quality and impact, of the Chamber's policy and campaign work was rewarded when the North West Construction Pipeline Project won the Most Effective Campaign award at the annual BCC Awards.

The Chamber's social media strategy mirrors the overall communications strategy of the marketing team, which is to retain, recruit and engage with members and the wider business community.

Social media activity and influence, continues to develop and the Chamber is in the top 5% of all users (Klout score of 61). Social media channels enable the company to reach a wider, and more diverse audience helping both retention and recruitment of members.

The Chamber's reputation as a leading business organisation continued with the extensive activity around the Northern Powerhouse and devolution agendas. The level of connectivity and engagement continued to strengthen with continued requests for information and assistance in hosting events with senior ministers, politicians, officials and key local figures.

The Chamber continues to grow; expand its services; increase its influence and take a leading role in the future development of Greater Manchester and the North as a whole, thereby providing more opportunities for our members.

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**Greater Manchester Chamber of Commerce**  
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**Directors' Report**  
**For the year ended 31 March 2016**

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**Directors**

The directors who served during the year were:

P Cusack - Chairman (2015 - Present)  
W Jones - President (2015 - Present)  
S Burne - Vice President (2014 - Present)  
C A J Memmott - Chief Executive  
J A Boardman  
C Fossey  
E E Holt  
Rt Hon Baroness B J Hughes  
B Wilkinson  
M Pike (appointed 25 July 2015)  
R Phillips (appointed 16 October 2015)  
T K Johnston (resigned 24 July 2015)  
N Smith MBE (resigned 3 September 2015)  
D W McKeith (resigned 9 September 2015)  
M Douglas OBE (resigned 7 December 2015)  
R Makin (resigned 21 January 2016)

**Disclosure of information to auditors**

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

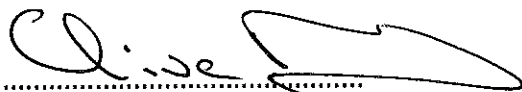
- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors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

**Auditors**

The auditors, Hurst & Company Accountants LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board and signed on its behalf.



.....  
C A J Memmott - Chief Executive  
Director

Date: 15<sup>th</sup> September '16.

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**Greater Manchester Chamber of Commerce**  
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**Independent Auditors' Report to the Members of Greater Manchester Chamber of Commerce**

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We have audited the financial statements of Greater Manchester Chamber of Commerce for the year ended 31 March 2016, set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Auditors' 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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



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Greater Manchester Chamber of Commerce  
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Independent Auditors' Report to the Members of Greater Manchester Chamber of Commerce

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**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, 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 to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

*Hurst & Company Accountants LLP*

Mike Jackson (Senior statutory auditor)  
for and on behalf of

**Hurst & Company Accountants LLP**  
Chartered Accountants

Statutory Auditors

Lancashire Gate

21 Tiviot Dale

Stockport

Cheshire

SK1 1TD

Date: 15 September 2016

**Greater Manchester Chamber of Commerce**  
(A company limited by guarantee)

**Income and Expenditure Account**  
For the year ended 31 March 2016

	Note	2016 £	2015 £
<b>Income</b>	1	5,269,470	7,167,654
Direct costs		<u>(4,723,530)</u>	<u>(6,536,876)</u>
<b>Gross surplus</b>		545,940	630,778
Administrative expenses		<u>(633,519)</u>	<u>(458,151)</u>
<b>Operating (deficit)/surplus</b>	2	(87,579)	172,627
Interest receivable and similar income		1,361	1,427
Interest payable and similar charges		<u>(81,000)</u>	<u>(69,000)</u>
<b>(Deficit)/surplus on ordinary activities before taxation</b>		(167,218)	105,054
Tax on (deficit)/surplus on ordinary activities		<u>-</u>	<u>-</u>
<b>(Deficit)/surplus for the financial year</b>	11	<u><u>(167,218)</u></u>	<u><u>105,054</u></u>

The notes on pages 10 to 17 form part of these financial statements.

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**Greater Manchester Chamber of Commerce**  
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**Statement of Total Recognised Gains and Losses**  
**For the year ended 31 March 2016**

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	Note	2016 £	2015 £
<b>(Deficit)/surplus for the financial year</b>		<b>(167,218)</b>	<b>105,054</b>
Actuarial gain/(loss) related to pension scheme	13	<u>379,000</u>	<u>(587,000)</u>
<b>Total recognised gains and losses relating to the year</b>		<b><u><u>211,782</u></u></b>	<b><u><u>(481,946)</u></u></b>

The notes on pages 10 to 17 form part of these financial statements.

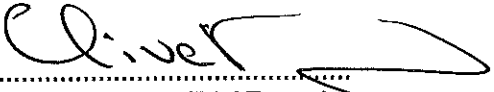
**Greater Manchester Chamber of Commerce**  
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**Registered number: 5245944**

**Balance Sheet**  
**As at 31 March 2016**

	Note	£	2016 £	£	2015 £
<b>Fixed assets</b>					
Intangible assets	5		8,000		-
Tangible assets	6		954,451		971,021
Investments	7		213,000		213,000
			<u>1,175,451</u>		<u>1,184,021</u>
<b>Current assets</b>					
Debtors	8	1,152,968		1,422,134	
Cash at bank		992,914		1,648,253	
			<u>2,145,882</u>		<u>3,070,387</u>
<b>Creditors: amounts falling due within one year</b>	9	<b>(1,869,400)</b>		<b>(2,768,884)</b>	
<b>Net current assets</b>			<u>276,482</u>		<u>301,503</u>
<b>Total assets less current liabilities</b>			<u>1,451,933</u>		<u>1,485,524</u>
<b>Provisions for liabilities</b>					
Other provisions	10		161,627		-
Defined benefit pension scheme liability	13		1,620,000		2,027,000
<b>Capital and reserves</b>					
Revaluation reserve	11	213,000		213,000	
Income and expenditure account	11	(542,694)		(754,476)	
	12		<u>(329,694)</u>		<u>(541,476)</u>
<b>Capital, Reserves and Long term liabilities</b>			<u>1,451,933</u>		<u>1,485,524</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

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

  
.....  
**C A J Memmott - Chief Executive**  
Director

Date: 15th September '16.

The notes on pages 10 to 17 form part of these financial statements.

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**Greater Manchester Chamber of Commerce**  
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**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

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**1. Accounting Policies**

**1.1 Going concern**

The Chamber's underlying financial performance and the cash flow remain strong, with reserves excluding pension liability of £1.3 million and a positive bank balance of £1 million. The balance sheet deficit was £329,694 (2015: £541,476). There is a plan, agreed with the Scheme Trustees, to repay the pension scheme deficit. The agreed annual payments are included in the Chamber's ongoing cashflow forecast. The accounts have therefore been prepared on a going concern basis. The Chamber's reserves have been affected by the requirements of Financial Reporting Standard (FRS) 17 which requires us to value the future long term liabilities of the Chamber's closed final salary pension scheme and include that liability in our balance sheet. At the year end there was a deficit of £1,620,000 (2015: £2,027,000).

**1.2 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**1.3 Income**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts and funds receivable to deliver government sponsored projects.

**1.4 Intangible fixed assets and amortisation**

Other intangible assets that are acquired by the company are stated at cost less accumulated amortisation and impairment losses.

Amortisation is provided at the following rates:

Other intangible fixed assets	-	20% straight line
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**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	20% on cost to residual value
Leasehold improvements	-	Over the life of the lease.
Computer equipment	-	25% and 33% straight line

**1.6 Investments**

Investments held as fixed assets are shown at cost or valuation less provision for impairment.

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**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

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**1. Accounting Policies (continued)**

**1.7 Operating leases**

Rentals under operating leases are charged to the Income and expenditure account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**1.8 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**1.9 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Income and expenditure account.

**1.10 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company operates a closed final salary scheme where the assets are held separately from those of the company. Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value using an AA corporate bond rate. Pension scheme assets are valued at market value at the balance sheet date. The pension scheme deficit is recognised in full on the balance sheet.

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**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

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**2. Operating (deficit)/surplus**

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

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	62,269	22,814
Operating lease rentals	154,453	104,602
Auditors' remuneration	8,500	8,500
Non - audit fees	4,000	4,000
	<u>          </u>	<u>          </u>

**3. Directors' remuneration**

	2016	2015
	£	£
Aggregate remuneration	125,000	125,000
	<u>          </u>	<u>          </u>

During the year retirement benefits were accruing to 1 director (2015 - 1) in respect of defined benefit pension schemes.

**4. Pension Costs**

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £114,091 (2015: £95,227). At the year end amounts unpaid totalled £14,619 (2015: £15,386).

**Greater Manchester Chamber of Commerce**  
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**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

**5. Intangible fixed assets**

	<b>Other intangible fixed assets £</b>
<b>Cost</b>	
At 1 April 2015	-
Additions	8,000
At 31 March 2016	8,000
<b>Amortisation</b>	
At 1 April 2015 and 31 March 2016	-
<b>Net book value</b>	
At 31 March 2016	8,000
<i>At 31 March 2015</i>	-

**6. Tangible fixed assets**

	<b>Freehold property £</b>	<b>Leasehold Improvements £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2015	650,000	165,580	279,125	1,094,705
Additions	-	54,969	38,516	93,485
At 31 March 2016	650,000	220,549	317,641	1,188,190
<b>Depreciation</b>				
At 1 April 2015	67,500	3,561	52,623	123,684
Charge for the year	30,000	19,658	60,397	110,055
At 31 March 2016	97,500	23,219	113,020	233,739
<b>Net book value</b>				
At 31 March 2016	552,500	197,330	204,621	954,451
<i>At 31 March 2015</i>	582,500	162,019	226,502	971,021



**Greater Manchester Chamber of Commerce**  
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**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

**7. Fixed asset investments**

	<b>Subsidiary undertaking £</b>
<b>Cost</b>	
At 1 April 2015 and 31 March 2016	<u>213,000</u>
<b>Net book value</b>	
At 31 March 2016	<u>213,000</u>
At 31 March 2015	<u>213,000</u>

The investment represents the company's interest in The Manchester Chamber of Commerce and Industry Limited, a subsidiary undertaking.

**8. Debtors**

	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	843,538	739,851
Other debtors	309,430	682,283
	<u>1,152,968</u>	<u>1,422,134</u>

**9. Creditors:  
Amounts falling due within one year**

	<b>2016 £</b>	<b>2015 £</b>
Bank loans and overdrafts	22,867	17,093
Trade creditors	39,720	370,459
Amounts owed to group undertakings	215,000	215,000
Other taxation and social security	162,092	109,436
Other creditors	1,429,721	2,056,896
	<u>1,869,400</u>	<u>2,768,884</u>

**Greater Manchester Chamber of Commerce**  
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**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

**10. Provisions**

	<b>Onerous Lease £</b>
At 1 April 2015	-
Additions	161,627
At 31 March 2016	161,627

**Onerous Lease**

This relates to the contractual obligations in relation to the termination of a property lease.

**11. Reserves**

	<b>Revaluation reserve £</b>	<b>Income and expenditure account £</b>
At 1 April 2015	213,000	(754,476)
Deficit for the financial year	-	(167,218)
Pension reserve movement	-	379,000
At 31 March 2016	213,000	(542,694)
Income and expenditure reserve excluding pension liability		1,077,306
Pension reserve		(1,620,000)
		(542,694)

**12. Reconciliation of movement in members' deficit**

	<b>2016 £</b>	<b>2015 £</b>
Opening members' deficit	(541,476)	(59,530)
(Deficit)/surplus for the financial year	(167,218)	105,054
Other recognised gains and losses during the year	379,000	(587,000)
Closing members' deficit	(329,694)	(541,476)

**Greater Manchester Chamber of Commerce**  
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**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

**13. Pension commitments**

The company operates a Defined benefit pension scheme, which is funded.

The pension cost and provision for the year ended 31 March 2016 are based on the advice of a professionally qualified actuary. The most recent formal valuation is dated 31 March 2015.

The Greater Manchester Chamber and ChamberLink staff Pension Scheme consists of one sponsoring employer being Greater Manchester Chamber of Commerce. Under an approved withdrawal arrangement following the reorganisation of Chamberlink Limited and Skills and Work Solution Limited, Chamberlink Limited ceased to be a participating employer in the scheme from August 2009. Skills and Work Solution Limited has formally put in place a guarantee to pay all of Chamberlink Limited liabilities in the scheme. The results below show the Greater Manchester Chamber of Commerce figures only.

The plan is a final salary pension arrangement where members receive benefits based on their final salary. The Plan ceased all future service benefit accruals with effect from 31 March 2009 so that all member benefits are now paid up. The assets of the scheme are held separately from those of the company, being invested with an independent investment manager. The Plan also provides benefit to spouses and dependants in the event of a member's death before or after retirement.

Pension contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The company expects to pay contributions of £112,638 (2016 - £108,682) to the plan during the next accounting period. A full actuarial valuation was carried out at 1 April 2015.

**Value of scheme assets and liabilities**

	Value at 2016 £	Value at 2015 £
Market value of assets	2,202,000	2,174,000
Present value of scheme liabilities	(3,822,000)	(4,201,000)
Deficit in the scheme	(1,620,000)	(2,027,000)
Net pension liability	(1,620,000)	(2,027,000)
	2016 £	2015 £
<b>Movements in deficit during the year:</b>		
Deficit in scheme at beginning of year	(2,027,000)	(1,476,000)
Contributions	109,000	105,000
Other finance cost	(81,000)	(69,000)
Actuarial gain/(loss)	379,000	(587,000)
Deficit in scheme at end of year	(1,620,000)	(2,027,000)

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**Greater Manchester Chamber of Commerce**  
**(A company limited by guarantee)**

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**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

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The main assumptions used by the actuary were:

	Period ended 31/03/2016	Period ended 31/03/2015
	%	%
Rate of increase in salaries	n/a	n/a
Rate of increase in pensions payment	2.5	2.5
Discount rate	4.7	4.1
Inflation assumption	2.5	2.5

**14. Operating lease commitments**

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

	2016	2015
	£	£
<b>Expiry date:</b>		
Within 1 year	21,908	14,036
Between 2 and 5 years	38,738	32,862
After more than 5 years	2,750	2,750
	<u>2,750</u>	<u>2,750</u>

The property lease was entered into in January 2015 with a 32 month rent free period and hence there is no amount due next year. The annual commitment is £199,445 until January 2020 where there is a break clause.

**15. Related party transactions**

During the year the company received a reimbursement of costs from Skills and Work Solution Limited in relation to the pension scheme which they are both members of. The costs recharged totalled £18,145 (2015: £nil). No amounts were outstanding at the year end.

Greater Manchester Chamber of Commerce is the sole member of The Manchester Chamber of Commerce and Industry Limited. At the year end £215,000 (2015: £215,000) was due to The Manchester Chamber of Commerce and Industry Limited.

**16. Company limited by guarantee**

The Company is incorporated under the Companies Act 1985 as a company limited by guarantee and not having share capital. In the event of winding up each member undertakes to contribute such an amount as may be required (not exceeding £2) to the Company's assets if it should be wound up while he/she is a member, or within one year after he/she ceases to be a member and of the costs, charges and expenses for winding up and for the adjustment of the rights of the contributions among themselves.