

Hospitality Professionals Association

Registered number: 07854377

Directors' report and financial statements

For the year ended 31 March 2017

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HOSPITALITY PROFESSIONALS ASSOCIATION

(A company limited by guarantee)

COMPANY INFORMATION

Directors

Prof. P A Jones
Mr S C Collins
Ms J Pendlebury
Mr M R Heyward
Mr J T D Herbert
Mr C G Upton
Mr R P Maloney

Company secretary

Mr J T D Herbert

Registered number

07854377

Registered office

C/O Penrose Partnership
Longdene House
Hedgehog Lane
Haslemere
UK
GU27 2PH

Independent auditors

Mazars LLP
Chartered Accountants & Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

HOSPITALITY PROFESSIONALS ASSOCIATION
(A company limited by guarantee)

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HOSPITALITY PROFESSIONALS ASSOCIATION

(A company limited by guarantee)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

Hospitality Professionals Association (Registration Number - 07854377) is a company limited by guarantee whose principal activity is to provide seminars, updates and training to its members working in the hospitality industry.

The results for the year ended 31 March 2017 showed a loss of £25,413 (2016: £2,770).

The main reason for the loss was the cost of installing a new membership system, the software licence and set up costs combined totalled £25k. Unfortunately, after spending a large amount of management time on it, it has become clear that this system will never produce the benefits that it promised. It also uses software that carries an expensive annual license fee. In February 2018 the Board reluctantly decided to abandon this system and implement a tried and tested alternative with a significantly lower annual cost.

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 profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

Prof. P A Jones
Mr S C Collins
Ms J Pendlebury
Mr M R Heyward (appointed 1 July 2016)
Mr J T D Herbert
Mr C G Upton
Mr R P Maloney

HOSPITALITY PROFESSIONALS ASSOCIATION

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DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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 the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

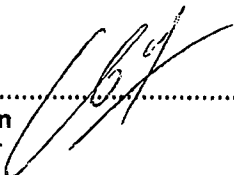
In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Going concern

The directors have made an assessment in preparing the financial statements as to whether the company is a going concern and have concluded that there are no material uncertainties that may cast doubt on the company's ability to meet its liabilities over the next twelve months.

This report was approved by the board on *25th May 2018* and signed on its behalf.

.....
C Upton
Director



HOSPITALITY PROFESSIONALS ASSOCIATION

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOSPITALITY PROFESSIONALS ASSOCIATION

We have audited the financial statements of Hospitality Professionals Association for the year ended 31 March 2017 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

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.

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. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 2017 and of its loss 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.

Opinion on the other matter 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.

HOSPITALITY PROFESSIONALS ASSOCIATION
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOSPITALITY
PROFESSIONALS ASSOCIATION**

Matters on which we are required to report by exception

In 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 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 take advantage of the small companies' exemption in preparing the directors' report.



Rachel Lawton (Senior Statutory Auditor)

For and behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date: 25/5/18

HOSPITALITY PROFESSIONALS ASSOCIATION
(A company limited by guarantee)

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
Turnover		476,174	512,603
Cost of sales		(209,552)	(268,943)
Gross profit		<u>266,622</u>	<u>243,660</u>
Administrative expenses		(290,316)	(246,431)
Operating loss		<u>(23,694)</u>	<u>(2,771)</u>
Interest receivable		1	1
Loss before tax		<u>(23,693)</u>	<u>(2,770)</u>
Tax on loss		(1,720)	-
Loss for the financial year		<u><u>(25,413)</u></u>	<u><u>(2,770)</u></u>

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 9 to 16 form part of these financial statements.

HOSPITALITY PROFESSIONALS ASSOCIATION

(A company limited by guarantee)

REGISTERED NUMBER: 07854377

BALANCE SHEET

AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	-	2,095
Tangible assets	6	13,695	21,996
		<u>13,695</u>	<u>24,091</u>
Current assets			
Stocks	7	5,946	5,946
Debtors: amounts falling due within one year	8	209,601	65,363
Cash at bank and in hand	9	52,685	111,833
		<u>268,232</u>	<u>183,142</u>
Creditors: amounts falling due within one year	10	(309,918)	(209,811)
Net current liabilities		<u>(41,686)</u>	<u>(26,669)</u>
Total assets less current liabilities		<u>(27,991)</u>	<u>(2,578)</u>
Net liabilities		<u>(27,991)</u>	<u>(2,578)</u>
Capital and reserves			
Profit and loss account		(27,991)	(2,578)
		<u>(27,991)</u>	<u>(2,578)</u>

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 by:

.....
C Upton
Director

25 May 2018

The notes on pages 9 to 16 form part of these financial statements.

HOSPITALITY PROFESSIONALS ASSOCIATION
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

	Profit and loss account	Total equity
	£	£
At 1 April 2016	(2,578)	(2,578)
Comprehensive income for the year		
Loss for the year	(25,413)	(25,413)
Total comprehensive income for the year	(25,413)	(25,413)
At 31 March 2017	(27,991)	(27,991)

HOSPITALITY PROFESSIONALS ASSOCIATION
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Profit and loss account	Total equity
	£	£
At 1 April 2015	192	192
Comprehensive income for the year		
Loss for the year	(2,770)	(2,770)
Total comprehensive income for the year	<u>(2,770)</u>	<u>(2,770)</u>
At 31 March 2016	<u>(2,578)</u>	<u>(2,578)</u>

The notes on pages 9 to 16 form part of these financial statements.

HOSPITALITY PROFESSIONALS ASSOCIATION

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies

1.1 General information and basis of preparation of financial statements

Hospitality Professionals Association (Registration Number - 07854377) is a company limited by guarantee whose principal activity is to provide seminars, updates and training to its members working in the hospitality industry.

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.

Information on the impact of first-time adoption of FRS 102 is given in note 13.

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 2).

The following principal accounting policies have been applied:

1.2 Going concern

The directors have made an assessment in preparing the financial statements as to whether the company is a going concern and have concluded that there are no material uncertainties that may cast doubt on the company's ability to meet its liabilities over the next twelve months as they fall due.

1.3 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

The amount of turnover can be measured reliably and it is probable that the Company will receive the consideration derived from Membership Subscription, the annual conference, Patronage Income and Receipts from Education courses.

HOSPITALITY PROFESSIONALS ASSOCIATION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the profit and loss account over its useful economic life.

Other 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.

Amortisation is provided on the following bases:

Goodwill	-	20 %
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1.5 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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 equipment	-	33%
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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 profit and loss account..

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.7 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.

1.8 Cash and cash equivalents

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

1.9 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.

1.10 Interest income

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

1.11 Taxation

Tax is recognised in the profit and loss account, 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.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

2. Judgements in applying accounting policies and key sources of estimation uncertainty

Useful lives for tangible fixed assets

The depreciation policies applied to tangible fixed assets, detailed above, are based on estimations of the expected useful lives of the assets. The annual depreciation charges are therefore sensitive to changes in the estimated useful lives allocated to each class of asset. The estimated lives of assets are reviewed annually and changed where considered necessary. Some of the key factors that may result in a change to the expected useful lives include the physical condition of the asset and changes in technology.

Goodwill

All intangible assets are considered to have a finite useful life. The annual amortisation charge is amortised on a straight-line basis through profit and loss and the useful life of the intangible asset cannot exceed 10 years. Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

3. Auditors' remuneration

	2017	2016
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	8,653	5,978
Fees payable to the Company's auditor and its associates in respect of:		
Audit-related assurance services	5,000	5,978
All other services	3,653	-
	8,653	5,978

4. Employees

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

	2017	2016
	No.	No.
Employees	5	4

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

5. Intangible assets

	Goodwill £
Cost	
At 1 April 2016	10,464
At 31 March 2017	<u>10,464</u>
Amortisation	
At 1 April 2016	8,369
Charge for the year	2,095
At 31 March 2017	<u>10,464</u>
Net book value	
At 31 March 2017	<u>-</u>
At 31 March 2016	<u><u>2,095</u></u>

HOSPITALITY PROFESSIONALS ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 April 2016	38,189
At 31 March 2017	<u>38,189</u>
Depreciation	
At 1 April 2016	16,193
Charge for the year on owned assets	8,301
At 31 March 2017	<u>24,494</u>
Net book value	
At 31 March 2017	<u>13,695</u>
At 31 March 2016	<u>21,996</u>

7. Stocks

	2017 £	2016 £
Raw materials and consumables	5,946	5,946
	<u>5,946</u>	<u>5,946</u>

8. Debtors

	2017 £	2016 £
Trade debtors	94,850	65,363
Prepayments and accrued income	103,878	-
Other taxes recoverable	10,873	-
	<u>209,601</u>	<u>65,363</u>

HOSPITALITY PROFESSIONALS ASSOCIATION

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

9. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	52,685	111,833
Less: bank overdrafts	(118)	(118)
	<u>52,567</u>	<u>111,715</u>

10. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Bank overdrafts	118	118
Trade creditors	114,024	37,185
Other taxation and social security	4,984	9,996
Accruals and deferred income	190,792	162,512
	<u>309,918</u>	<u>209,811</u>

11. 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.

12. Related party transactions

Owing to the nature of the companies operations and the composition of the board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length.

The following related party transaction took place in the period under review:

The company paid £87,435 (2016: £59,467) for membership and administrative services to Penrose Partnership Limited, a company with a mutual director.

The company paid £3,000 (2016: nil) for management services to C U Associates Limited, a company with a mutual director.

There are no other related party transactions which have taken place in the period of the accounts.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

13. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.