MAKE IT YORK LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

PAGES FOR FILING WITH REGISTRAR

Company registration number 09308493 (England and Wales)
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MAKE IT YORK LTD

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STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Non-current assets					
Property, plant and equipment	**4**		121,846		83,706
Current assets					
Inventories		12,729		10,255	
Trade and other receivables	**5**	171,966		168,671	
Cash and cash equivalents		604,120		390,026	
		788,815		568,952	
Creditors: amounts falling due within one year	**6**	(929,976)		(876,366)	
Net current liabilities			(141,161)		(307,414)
Total assets less current liabilities			(19,315)		(223,708)
Non-current liabilities	**7**		(54,420)		(54,421)
Provisions for liabilities			(20,344)		(3,000)
Net liabilities			(94,079)		(281,129)
Capital and reserves					
Called up share capital			1		1
Retained earnings			(94,080)		(281,130)
Total equity			(94,079)		(281,129)

MAKE IT YORK LTD

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on **18th July 2023** and are signed on its behalf by

Mr G Dyke **Director**

Company Registration No. 09308493

1 **Accounting policies**

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 April 2021	1	(502,482)	(502,481)
Year ended 31 March 2022:			
Loss for the year	-	(44,648)	(44,648)
Other comprehensive income:			
Actuarial gains on defined benefit plans	-	266,000	266,000
Total comprehensive income for the year	-	221,352	221,352
Balance at 31 March 2022	1	(281,130)	(281,129)
Year ended 31 March 2023:			
Profit for the year	-	177,050	177,050
Other comprehensive income:			
Actuarial gains on defined benefit plans	-	10,000	10,000
Total comprehensive income for the year	-	187,050	187,050
Balance at 31 March 2023	1	(94,080)	(94,079)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Company information

Make It York Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 21 Parliament Street, York, YO1 8SG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Make it York Limited depends on its existing bank facilities and cash resources to meet its day to day working capital requirements. Current forecasts indicate that the company expects to be able to operate within these facilities for the whole of the foreseeable future. Accordingly, the directors believe it is appropriate to prepare the financial statements on the going concern basis.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Other Intangible assets	3 to 4 years straight line

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33.33% and 10% straight line and 25% reducing balance
Computers	33.33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell, after making allowance for obsolete and slow moving items.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

1 Accounting policies **(Continued)**

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1 Accounting policies **(Continued)**

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

1 Accounting policies (Continued)

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	46	42

3 Intangible fixed assets

	Other £
Cost	
At 1 April 2022 and 31 March 2023	178,771
Amortisation and impairment	
At 1 April 2022 and 31 March 2023	178,771
Carrying amount	
At 31 March 2023	-
At 31 March 2022	-

4 Property, plant and equipment

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2022	319,896	89,586	409,482
Additions	72,498	9,931	82,429
Disposals	(224,213)	(67,492)	(291,705)
At 31 March 2023	168,181	32,025	200,206
Depreciation and impairment			
At 1 April 2022	241,668	84,108	325,776
Depreciation charged in the year	21,285	4,180	25,465
Eliminated in respect of disposals	(205,755)	(67,126)	(272,881)
At 31 March 2023	57,198	21,162	78,360
Carrying amount			
At 31 March 2023	110,983	10,863	121,846
At 31 March 2022	78,228	5,478	83,706

5 Trade and other receivables

	2023	2022
Amounts falling due within one year:	£	£
Trade receivables	147,456	132,818
Other receivables	24,510	35,283
	171,966	168,101
Deferred tax asset	-	570
	171,966	168,671

6 Creditors: amounts falling due within one year

	2023	2022
	£	£

8 Retirement benefit schemes **(Continued)**

Trade payables	416,006	439,293
Taxation and social security	51,162	65,301
Other payables	462,808	371,772
	929,976	876,366

7 Non-current liabilities

	2023	2022
	£	£
Trade payables	54,420	54,421

8 Retirement benefit schemes

Defined benefit schemes

Introduction

The disclosures relate to the funded liabilities within the North Yorkshire Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (the "LGPS").

The LGPS is a funded defined benefit plan with benefits earned up to 31st March 2014 being linked to final salary. Benefits after 31st March 2014 are based on a Career Average Revalued Earnings scheme, details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations 2013' (as amended) and 'The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014' (as amended).

Funding/Governance Arrangements of the LGPS

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with the investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Fund's Funding Strategy Statement. The last actuarial valuation was at 31st March 2022 and the contributions to be paid until 31st March 2024 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate.

The Fund Administering Authority, North Yorkshire County Council, is responsible for the governance of the Fund.

Assets

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculation the return over the accounting period. The Fund holds a significant proportion of its assets in liquid investments. As a consequence there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Administering Authority) is shown in the disclosures.

The Administering Authority may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

The FRS102 balance sheet is showing a net pensions asset before consideration of a surplus under paragraph 28 of FRS102. This states that an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions of through refunds from the plan. As the employer does not have the information available to determine this, the asset has not been recognised on the balance sheet. The amount not recognised is £152,000.

Risks Associated with the Fund in relation to Accounting

Asset volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields at the accounting date. If assets underperform this yield this will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which while expected to outperform corporate bonds in the long term creates volatility and risk in the short term in relation to the accounting figures.

Changes in Bond Yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extend the Fund invests in corporate bonds).

Inflation Risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value.

The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

Life Expectancy

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

Exiting Employers

Employers who leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund.

Further the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

8 Retirement benefit schemes **(Continued)**

	2023	2022
Key assumptions	%	%
Discount rate	4.6	2.7
Expected rate of increase of pensions in payment	2.6	2.8
Expected rate of salary increases	3.85	4.05

8	**Retirement benefit schemes**		**(Continued)**
	Mortality assumptions	**2023**	**2022**
	Assumed life expectations on retirement at age 65:	**Years**	**Years**
	Retiring today		
	- Males	22.6	21.8
	- Females	25	23.8
	Retiring in 20 years		
	- Males	23.5	23.5
	- Females	26	25.7

	2023	**2022**
Amounts recognised in the income statement	**£**	**£**
Current service cost	12,000	30,000
Net interest on net defined benefit liability/(asset)	-	20,000
Total costs	12,000	50,000

	2023	**2022**
Amounts taken to other comprehensive income	**£**	**£**
Actuarial changes related to obligations	(67,000)	(96,000)
Other gains and losses	(95,000)	(170,000)
Effect of changes in the amount of surplus that is not recognised	~~152,000~~	-
Total costs/(income)	(10,000)	(266,000)

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	2023	**2022**
	£	**£**
Present value of defined benefit obligations	712,000	747,000
Fair value of plan assets	(864,000)	(744,000)
(Surplus)/deficit in scheme	(152,000)	3,000
Restriction on scheme assets	152,000	-

8 Retirement benefit schemes **(Continued)**

Total liability recognised	-	3,000

Movements in the present value of defined benefit obligations	**2023** £
Liabilities at 1 April 2022	747,000
Current service cost	12,000
Benefits paid	(2,000)
Contributions from scheme members	2,000
Actuarial gains and losses	(67,000)
Interest cost	20,000
At 31 March 2023	712,000

The defined benefit obligations arise from plans funded as follows:	**2023** £
Wholly unfunded obligations	-
Wholly or partly funded obligations	712,000
	712,000

Movements in the fair value of plan assets	**2023** £
Fair value of assets at 1 April 2022	744,000
Benefits paid	(2,000)
Contributions by the employer	5,000
Contributions by scheme members	2,000
Other	115,000
At 31 March 2023	864,000

The actual return on plan assets was £115,000 (2022 - £15,000).

Fair value of plan assets at the reporting period end	**2023** £	**2022** £

Equity instruments	451,000	414,000
Debt instruments	157,000	125,000
Property	55,000	55,000
Other	201,000	150,000
	864,000	744,000

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Statutory Auditor: Hunter Gee Holroyd