

Company registration number 07852072 (England and Wales)

CITY OF YORK TRADING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
PAGES FOR FILING WITH REGISTRAR

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CITY OF YORK TRADING LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021 as restated	
		£	£	£	£
Fixed assets					
Intangible assets	3		-		4,500
Tangible assets	4		-		3,655
					8,155
Current assets					
Debtors	5	1,314,959		1,021,195	
Cash at bank and in hand		1,681,489		1,410,089	
		2,996,448		2,431,284	
Creditors: amounts falling due within one year	6	(1,348,445)		(1,141,332)	
Net current assets			1,648,003		1,289,952
Total assets less current liabilities			1,648,003		1,298,107
Provisions for liabilities	7		(108,000)		(138,000)
Net assets			1,540,003		1,160,107
Capital and reserves					
Called up share capital	8		1		1
Profit and loss reserves			1,540,002		1,160,106
Total equity			1,540,003		1,160,107

The directors of the company have elected not to include a copy of the profit and loss account 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 30/09/22 and are signed on its behalf by:


Ms K Bull
Director

Company Registration No. 07852072

CITY OF YORK TRADING LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 31 March 2021:				
Balance at 1 April 2020		1	1,193,214	1,193,215
Year ended 31 March 2021:				
Profit for the year		-	99,592	99,592
Other comprehensive income:				
Actuarial gains on defined benefit plans		-	(28,000)	(28,000)
Tax relating to other comprehensive income		-	5,300	5,300
Total comprehensive income for the year		-	76,892	76,892
Dividends		-	(110,000)	(110,000)
Balance at 31 March 2021		1	1,160,106	1,160,107
Year ended 31 March 2022:				
Profit for the year		-	392,896	392,896
Other comprehensive income:				
Actuarial gains on defined benefit plans		-	56,000	56,000
Tax relating to other comprehensive income		-	(14,000)	(14,000)
Total comprehensive income for the year		-	434,896	434,896
Dividends		-	(55,000)	(55,000)
Balance at 31 March 2022		1	1,540,002	1,540,003

CITY OF YORK TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting policies**Company information**

City of York Trading Limited is a private company limited by shares incorporated in England and Wales. The registered office is West Offices, Station Rise, York, North Yorkshire, YO1 6GA.

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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

The turnover shown in the profit and loss account represents amounts due for services performed during the period, exclusive of Value Added Tax.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Cut off for revenue is week ending 3 April 2022 in respect of recognising sales and associated staff costs.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of business combinations over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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, fittings & equipment	33% straight line
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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 fixed 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 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.

1.8 Financial instruments

Basic financial assets

Basic financial assets, which include debtors 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.

CITY OF YORK TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting policies**(Continued)*****Basic financial liabilities***

Basic financial liabilities, including creditors, 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.

Trade creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 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.

1.10 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 profit and loss account 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 taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 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 fixed 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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.

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

1.13 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.

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.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

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

	2022 Number	2021 Number
Total	14	17

The above figures do not include workers on a temporary payroll.

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Intangible fixed assets	Goodwill	
	£	
Cost		
At 1 April 2021 and 31 March 2022		32,405
Amortisation and impairment		
At 1 April 2021		27,905
Amortisation charged for the year		4,500
At 31 March 2022		32,405
Carrying amount		
At 31 March 2022		-
At 31 March 2021		4,500
 4 Tangible fixed assets		
		Plant and machinery etc
		£
Cost		
At 1 April 2021 and 31 March 2022		74,585
Depreciation and impairment		
At 1 April 2021		70,930
Depreciation charged in the year		3,655
At 31 March 2022		74,585
Carrying amount		
At 31 March 2022		-
At 31 March 2021		3,655
 5 Debtors		
	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	34,906	983,199
Other debtors	1,250,881	11,349
	1,285,787	994,548
Deferred tax asset	29,172	26,647
	1,314,959	1,021,195

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	300,232	275,062
Corporation tax	97,033	25,929
Other taxation and social security	510,867	608,765
Other creditors	440,313	231,576
	<u>1,348,445</u>	<u>1,141,332</u>

7 Retirement benefit schemes	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	95,438	78,135
	<u>95,438</u>	<u>78,135</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Defined benefit schemes

The company operates a defined benefit scheme for qualifying employees administered by North Yorkshire County Council. The local government pension scheme is a defined benefit scheme based on final pensionable salary.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 March 2019 by Aon. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

<i>Key assumptions</i>	2022	2021
	%	%
Discount rate	2.7	2.10
Expected rate of increase of pensions in payment	3	2.7
Expected rate of salary increases	4.25	3.95
	<u>4.25</u>	<u>3.95</u>
 <i>Mortality assumptions</i>	 2022	 2021
Assumed life expectations on retirement at age 65:	Years	Years
Retiring today		
- Males	21.8	21.9
- Females	23.9	24.0
	<u>23.9</u>	<u>24.0</u>
Retiring in 20 years		
- Males	23.5	23.6
- Females	25.7	25.8
	<u>25.7</u>	<u>25.8</u>

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

7 Retirement benefit schemes	(Continued)	
	2022	2021
	£	£
<i>Amounts recognised in the profit and loss account</i>		
Current service cost	43,000	32,000
Net interest on net defined benefit liability/(asset)	2,000	2,000
	<u>45,000</u>	<u>34,000</u>
	<u>45,000</u>	<u>34,000</u>
<i>Amounts taken to other comprehensive income</i>		
	2022	2021
	£	£
Actual return on scheme assets	(12,000)	(124,000)
Less: calculated interest element	13,000	11,000
	<u>1,000</u>	<u>(113,000)</u>
Return on scheme assets excluding interest income	1,000	(113,000)
Actuarial changes related to obligations	(57,000)	141,000
	<u>(56,000)</u>	<u>28,000</u>
	<u>(56,000)</u>	<u>28,000</u>
The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:		
	2022	2021
	£	£
Present value of defined benefit obligations	736,000	740,000
Fair value of plan assets	(628,000)	(602,000)
	<u>108,000</u>	<u>138,000</u>
	<u>108,000</u>	<u>138,000</u>
<i>Movements in the present value of defined benefit obligations</i>		
		2022
		£
Liabilities at 1 April 2021		740,000
Current service cost		43,000
Benefits paid		(11,000)
Contributions from scheme members		6,000
Actuarial gains and losses		(57,000)
Interest cost		15,000
		<u>736,000</u>
At 31 March 2022		<u>736,000</u>

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Retirement benefit schemes (Continued)

	2022 £
<i>The defined benefit obligations arise from plans funded as follows:</i>	
Wholly unfunded obligations	-
Wholly or partly funded obligations	736,000
	<u>736,000</u>

	2022 £
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 April 2021	602,000
Interest income	13,000
Return on plan assets (excluding amounts included in net interest)	(1,000)
Benefits paid	(11,000)
Contributions by the employer	19,000
Contributions by scheme members	6,000
At 31 March 2022	<u>628,000</u>

The actual return on plan assets was £12,000 (2021 - £124,000).

	2022 £	2021 £
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	350,000	348,000
Debt instruments	154,000	110,000
Property	46,000	37,000
Other	78,000	107,000
	<u>628,000</u>	<u>602,000</u>

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Called up share capital

	2022	2021	2022	2021
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary shares of £1 each	1	1	1	1

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.
The senior statutory auditor was Daniel Sowden.
The auditor was BHP LLP.

10 Related party transactions

Transactions with related parties

The company was controlled by The City of York Council ("CYC") who owned 100% of the share capital throughout the period.

During the year the company made sales to, and purchases from CYC, the sole shareholder of the company. The sales to CYC in the year totalled £9,989,941 (2021: £8,303,842) with purchases of £53,552 (2021: £56,459). At the 31 March 2022 there is a balance owed to CYC of £27,667 (2021: £22,175) and a balance due from CYC of £1,064,567 (2021: £900,272).

During the year dividends of £55,000 (2021: £110,000) were paid to CYC.

11 Prior period adjustment

Changes to the balance sheet

	As previously reported	Adjustment at 1 Apr 2020	Adjustment at 31 Mar 2021	As restated at 31 Mar 2021
	£	£	£	£
Current assets				
Debtors due within one year	994,975	18,100	8,120	1,021,195
Provisions for liabilities				
Pension obligations	-	(95,000)	(43,000)	(138,000)
Net assets	1,271,887	(76,900)	(34,880)	1,160,107
Capital and reserves				
Profit and loss reserves	1,271,886	(76,900)	(34,880)	1,160,106

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Prior period adjustment

(Continued)

Changes to the profit and loss account

	As previously reported	Adjustment	As restated
Period ended 31 March 2021	£	£	£
Administrative expenses	(661,228)	(13,000)	(674,228)
Interest payable and similar expenses	-	(2,000)	(2,000)
Taxation	(29,199)	2,820	(26,379)
Profit for the financial period	111,772	(12,180)	99,592

Reconciliation of changes in equity

	1 April 2020	31 March 2021
	£	£
Adjustments to prior year		
Current service costs	-	(13,000)
Interest on defined benefit scheme	-	(2,000)
Deferred tax movement	-	2,820
Deficit on defined benefit scheme	(95,000)	(95,000)
Deferred tax on defined benefit scheme	18,100	18,100
Actuarial loss	-	(28,000)
Deferred tax on actuarial loss	-	5,300
Total adjustments	(76,900)	(111,780)
Equity as previously reported	1,270,115	1,271,887
Equity as adjusted	1,193,215	1,160,107
Analysis of the effect upon equity		
Profit and loss reserves	(76,900)	(34,880)

Reconciliation of changes in profit for the previous financial period

	2021 £
Adjustments to prior year	
Current service costs	(13,000)
Interest on defined benefit scheme	(2,000)
Deferred tax movement	2,820
Total adjustments	(12,180)
Profit as previously reported	111,772
Profit as adjusted	99,592

CITY OF YORK TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*****FOR THE YEAR ENDED 31 MARCH 2022***

11 Prior period adjustment**(Continued)****Notes to reconciliation****Defined benefit pension scheme**

During the course of the preparation of the financial statements, it was noted that certain employees are members of a defined benefit scheme administered by North Yorkshire Pension Fund. A prior year adjustment has been done to bring in the deficit position in relation to the company's position as a member of the scheme.