

**Company Registration No. 07852072 (England and Wales)**

**CITY OF YORK TRADING LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# CITY OF YORK TRADING LIMITED

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# CITY OF YORK TRADING LIMITED

## BALANCE SHEET


AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Intangible assets	3		15,302		26,104
Tangible assets	4		9,900		21,906
			<u>25,202</u>		<u>48,010</u>
<b>Current assets</b>					
Debtors	5	730,756		713,941	
Cash at bank and in hand		1,442,793		1,571,653	
		<u>2,173,549</u>		<u>2,285,594</u>	
<b>Creditors: amounts falling due within one year</b>	6	(927,493)		(1,292,928)	
<b>Net current assets</b>			<u>1,246,056</u>		<u>992,666</u>
<b>Total assets less current liabilities</b>			<u>1,271,258</u>		<u>1,040,676</u>
<b>Provisions for liabilities</b>			(1,143)		(2,678)
<b>Net assets</b>			<u>1,270,115</u>		<u>1,037,998</u>
<b>Capital and reserves</b>					
Called up share capital	7		1		1
Profit and loss reserves			1,270,114		1,037,997
<b>Total equity</b>			<u>1,270,115</u>		<u>1,037,998</u>

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 31/08/2020 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 2020

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	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 April 2018</b>	1	789,916	789,917
<b>Year ended 31 March 2019:</b>			
Profit and total comprehensive income for the year	-	338,081	338,081
Dividends	-	(90,000)	(90,000)
<b>Balance at 31 March 2019</b>	1	1,037,997	1,037,998
<b>Year ended 31 March 2020:</b>			
Profit and total comprehensive income for the year	-	332,117	332,117
Dividends	-	(100,000)	(100,000)
<b>Balance at 31 March 2020</b>	1	1,270,114	1,270,115

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# CITY OF YORK TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2020**

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### **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.

#### **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 2020

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#### 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 2020

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### 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.

# CITY OF YORK TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

#### 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.

### 2 Employees

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

	2020 Number	2019 Number
Total	16	15

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

### 3 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 April 2019 and 31 March 2020	32,405
<b>Amortisation and impairment</b>	
At 1 April 2019	6,301
Amortisation charged for the year	10,802
At 31 March 2020	17,103
<b>Carrying amount</b>	
At 31 March 2020	15,302
At 31 March 2019	26,104



# CITY OF YORK TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 4 Tangible fixed assets

	<b>Plant and machinery etc £</b>
<b>Cost</b>	
At 1 April 2019	69,518
Additions	345
At 31 March 2020	<u>69,863</u>
<b>Depreciation and impairment</b>	
At 1 April 2019	47,612
Depreciation charged in the year	12,351
At 31 March 2020	<u>59,963</u>
<b>Carrying amount</b>	
At 31 March 2020	<u>9,900</u>
At 31 March 2019	<u><u>21,906</u></u>

### 5 Debtors

	<b>2020 £</b>	<b>2019 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	46,076	51,716
Other debtors	684,680	662,225
	<u>730,756</u>	<u>713,941</u>

### 6 Creditors: amounts falling due within one year

	<b>2020 £</b>	<b>2019 £</b>
Trade creditors	145,611	103,972
Corporation tax	83,108	81,403
Other taxation and social security	415,759	885,237
Other creditors	283,015	222,316
	<u>927,493</u>	<u>1,292,928</u>

# CITY OF YORK TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 7 Called up share capital

	2020	2019
	£	£
<b>Ordinary share capital Issued and fully paid</b>		
1 Ordinary shares of £1 each	1	1

### 8 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.

### 9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020	2019
	£	£
	4,250	26,880

### 10 Events after the reporting date

As part of their assessment of the going concern basis of preparation, the directors have considered the impact of the COVID-19 pandemic on the company's trade, workforce, supply chain and the wider economies in which it operates. It is the view of the directors that the events which have significantly impacted the company are the direct result of Government and international policy in response to the pandemic (for example restrictions on travel, trade and personal interactions) and such policy only arose after the balance sheet date. The directors therefore consider the impact of the COVID-19 on the business to be an adjusting post-balance sheet event.

### 11 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 £7,926,419 (2019: £7,602,315) with purchases of £64,936 (2019: £185,615). At the 31 March 2020 there is a balance owed to CYC of £9,816 (2019: £30,768) and a balance due from CYC of £592,057 (2019: £572,944).

During the year dividends of £100,000 (2019: £90,000) were paid to CYC.