

Company Registration No. 07852072 (England and Wales)

**CITY OF YORK TRADING LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**  
**PAGES FOR FILING WITH REGISTRAR**

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## CITY OF YORK TRADING LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2021

|   | Notes | 2021               |                  | 2020             |                  |
|---|-------|--------------------|------------------|------------------|------------------|
|   |       | £                  | £                | £                | £                |
| <b>Fixed assets</b>                                   |       |                    |                  |                  |                  |
| Intangible assets                                     | 3     |                    | 4,500            |                  | 15,302           |
| Tangible assets                                       | 4     |                    | 3,655            |                  | 9,900            |
|   |       |                    | <u>8,155</u>     |                  | <u>25,202</u>    |
| <b>Current assets</b>                                 |       |                    |                  |                  |                  |
| Debtors   | 5     | 994,975            |                  | 730,756          |                  |
| Cash at bank and in hand                              |       | 1,410,089          |                  | 1,442,793        |                  |
|   |       | <u>2,405,064</u>   |                  | <u>2,173,549</u> |                  |
| <b>Creditors: amounts falling due within one year</b> | 6     | <u>(1,141,332)</u> |                  | <u>(927,493)</u> |                  |
| <b>Net current assets</b>                             |       |                    | 1,263,732        |                  | 1,246,056        |
| <b>Total assets less current liabilities</b>          |       |                    | <u>1,271,887</u> |                  | <u>1,271,258</u> |
| <b>Provisions for liabilities</b>                     |       |                    | -                |                  | (1,143)          |
| <b>Net assets</b>                                     |       |                    | <u>1,271,887</u> |                  | <u>1,270,115</u> |
| <b>Capital and reserves</b>                           |       |                    |                  |                  |                  |
| Called up share capital                               | 7     |                    | 1                |                  | 1                |
| Profit and loss reserves                              |       |                    | 1,271,886        |                  | 1,270,114        |
| <b>Total equity</b>                                   |       |                    | <u>1,271,887</u> |                  | <u>1,270,115</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 ..... 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 2021

|  | Notes | Share<br>capital<br>£ | Profit and<br>loss<br>reserves<br>£ | Total<br>£ |
|--|-------|-----------------------|-------------------------------------|------------|
| <b>Balance at 1 April 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  |
| <b>Year ended 31 March 2021:</b>                   |       |                       |                                     |            |
| Profit and total comprehensive income for the year |       | -                     | 111,772                             | 111,772    |
| Dividends  |       | -                     | (110,000)                           | (110,000)  |
| <b>Balance at 31 March 2021</b>                    |       | 1                     | 1,271,886                           | 1,271,887  |

**CITY OF YORK TRADING LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2021**

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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.

Cut off for revenue is week ending 28 March 2021 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 2021

#### 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 |
|--------------------------------|-------------------|

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 2021**

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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 2021

#### 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.

##### 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:

|       | 2021<br>Number | 2020<br>Number |
|-------|----------------|----------------|
| Total | 17             | 16             |

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

#### 3 Intangible fixed assets

|                                    | Goodwill<br>£ |
|------------------------------------|---------------|
| <b>Cost</b>                        |               |
| At 1 April 2020 and 31 March 2021  | 32,405        |
| <b>Amortisation and impairment</b> |               |
| At 1 April 2020                    | 17,103        |
| Amortisation charged for the year  | 10,802        |
| At 31 March 2021                   | 27,905        |
| <b>Carrying amount</b>             |               |
| At 31 March 2021                   | 4,500         |
| At 31 March 2020                   | 15,302        |

## CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021

## 4 Tangible fixed assets

|                                    | Plant and<br>machinery<br>etc<br>£ |
|------------------------------------|------------------------------------|
| <b>Cost</b>                        |                                    |
| At 1 April 2020                    | 69,863                             |
| Additions                          | 4,722                              |
|                                    | <hr/>                              |
| At 31 March 2021                   | 74,585                             |
|                                    | <hr/>                              |
| <b>Depreciation and impairment</b> |                                    |
| At 1 April 2020                    | 59,963                             |
| Depreciation charged in the year   | 10,967                             |
|                                    | <hr/>                              |
| At 31 March 2021                   | 70,930                             |
|                                    | <hr/>                              |
| <b>Carrying amount</b>             |                                    |
| At 31 March 2021                   | 3,655                              |
|                                    | <hr/> <hr/>                        |
| At 31 March 2020                   | 9,900                              |
|                                    | <hr/> <hr/>                        |

## 5 Debtors

|   | 2021<br>£   | 2020<br>£   |
|---|-------------|-------------|
| <b>Amounts falling due within one year:</b> |             |             |
| Trade debtors                               | 983,199     | 46,076      |
| Other debtors                               | 11,349      | 684,680     |
|   | <hr/>       | <hr/>       |
|   | 994,548     | 730,756     |
| Deferred tax asset                          | 427         | -           |
|   | <hr/>       | <hr/>       |
|   | 994,975     | 730,756     |
|   | <hr/> <hr/> | <hr/> <hr/> |

## 6 Creditors: amounts falling due within one year

|                                    | 2021<br>£   | 2020<br>£   |
|------------------------------------|-------------|-------------|
| Trade creditors                    | 275,062     | 145,611     |
| Corporation tax                    | 25,929      | 83,108      |
| Other taxation and social security | 608,765     | 415,759     |
| Other creditors                    | 231,576     | 283,015     |
|                                    | <hr/>       | <hr/>       |
|                                    | 1,141,332   | 927,493     |
|                                    | <hr/> <hr/> | <hr/> <hr/> |

# CITY OF YORK TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 7 Called up share capital

|   | 2021              | 2020              | 2021              | 2020              |
|---|-------------------|-------------------|-------------------|-------------------|
|   | Number            | Number            | £                 | £                 |
| <b>Ordinary share capital<br/>Issued and fully paid</b> |                   |                   |                   |                   |
| Ordinary shares of £1 each                              | 1                 | 1                 | 1                 | 1                 |
|   | <u>          </u> | <u>          </u> | <u>          </u> | <u>          </u> |

### 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:

| 2021              | 2020              |
|-------------------|-------------------|
| £                 | £                 |
| -                 | 4,250             |
| <u>          </u> | <u>          </u> |

### 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 totaled £8,303,842 (2020: £7,926,419) with purchases of £56,459 (2020: £64,936 ). At the 31 March 2021 there is a balance owed to CYC of £22,175 (2020: £9,816 ) and a balance due from CYC of £900,272 (2020: £592,057).

During the year dividends of £110,000 (2020: £100,000) were paid to CYC.