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Coventry City Council

Agenda

Audit and Procurement Committee

Time and Date
2.30pm on Monday, 17th March 2025

Place
Diamond Rooms 1 and 2 - Council House, Coventry

Public Business

1. **Apologies**

2. **Declarations of Interest**

3. **Minutes of Previous Meetings** (Pages 5 - 16)

   To agree the minutes of the meetings held on 29th January and 17th February 2025.

4. **Exclusion of Press and Public**

   To consider whether to exclude the press and public for the private item(s) of business for the reasons shown in the report.

5. **2024/25 Third Quarter Financial Monitoring Report (to December 2024)** (Pages 17 - 44)

   Report of the Director of Finance and Resources (Section 151 Officer)

6. **Internal Audit Recommendation Tracking Report** (Pages 45 - 54)

   Report of the Director of Finance and Resources (Section 151 Officer)

7. **Quarter Three Internal Audit Progress Report 2024-25** (Pages 55 - 66)

   Report of the Director of Finance and Resources (Section 151 Officer)

8. **Corporate Risk** (Pages 67 - 126)

   Report of the Director of Finance and Resources (Section 151 Officer)

9. **Coventry Municipal Holdings Limited - Accounts for the Year Ending 31st March 2024** (Pages 127 - 434)

   Report of the Director for City Services and Commercial and Director for Coventry Municipal Holdings Limited

10. **Outstanding Issues** (Pages 435 - 440)

Report of the Director of Law and Governance

11. **Work Programme 2024/2025** (Pages 441 - 442)

Report of the Director of Law and Governance

12. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

Private business

13. **Procurement and Commissioning Progress Report** (Pages 443 - 462)

Report of the Director of Law and Governance

(Listing Officer: R Amour. Email: rob.amor@coventry.gov.uk)

14. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

Julie Newman, Director of Law and Governance, Council House, Coventry

Friday, 7 March 2025

Note: The person to contact about the agenda and documents for this meeting is Lara Knight, Governance Services, Email: lara.knight@coventry.gov.uk

Membership:
Councillors M Ali, J Blundell, A Hopkins, A Jobbar, R Lakha (Chair), P Male and B Singh (Deputy Chair)

By invitation:
Councillor R Brown – Cabinet Member for Strategic Finance and Resources

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Lara Knight, Governance Services
E-mail: lara.knight@coventry.gov.uk

Coventry City Council
Minutes of the Meeting of the Audit and Procurement Committee
held at 2.30 pm on Wednesday, 29 January 2025

Present:

Members:	Councillor R Lakha (Chair) Councillor M Ali Councillor J Blundell Councillor A Jobbar Councillor P Male Councillor B Singh
By Invitation	A Smith (External Auditor – Grant Thornton)
Employees (by Directorate):	
Finance and Resources:	B Hastie (Director of Finance and Resources), P Helm, T Pinks, K Tyler
Law and Governance	L Knight, L West
People's Services	A LeCras
Apologies:	Councillor A Hopkins

Public Business

43. **Declarations of Interest**

There were no disclosable pecuniary interests.

44. **Minutes of Previous Meeting**

The minutes of the meeting held on 25th November 2024 were agreed and signed as a true record.

With regards to minute 37/24, headed "Annual Compliance Report 2023 – Regulatory and Investigatory Powers Act (RIPA) 2000", the Committee noted that a briefing note relating to the use of RIPA powers in respect of fly-tipping had been circulated earlier that day.

45. **Grant Thornton - Interim Auditor's Annual Report on Coventry City Council 2023/24**

The Audit and Procurement Committee considered a report of the Director of Finance and Resources, which set out the external auditor, Grant Thornton's, report on the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources for the financial year 2023/24.

In addition to the external audit of the statutory statement of accounts, the Council's external auditor are required under the National Audit Office (NAO) Code of Practice to carry out an annual audit which tests arrangements that the Council has in place to ensure economy, efficiency and effectiveness in its use of resources.

The Appendix to the report set out the Auditor's report for 2023/24, including recommendations where they consider improvements may be made, plus a management response for each. It also presented progress on previously made recommendations.

The equivalent report for 2022/23 was considered and noted by this committee at its meeting on 18 March 2024 (Minute 52/23 refers).

The Committee noted that the external auditors are required to prepare their report based on the following specified criteria:

- Financial sustainability: how the Council plans and manages its resources to ensure it can continue to deliver its services.
- Governance: how the Council ensures that it makes informed decisions and properly manages its risks.
- Improving economy, efficiency and effectiveness: how the Council uses information about its costs and performance to improve the way it manages and delivers its services.

A number of the improvement recommendations reflected in the 2022/23 report had now been resolved, with the remainder identified as 'in progress' within the 2023/24 report. It is expected that these will also be addressed prior to the next annual audit for 2024/25.

Grant Thornton had identified as part of the 2023/24 audit report, 5 new improvement recommendations which had been accepted, and a management response had been included.

RESOLVED that, the Audit and Procurement Committee note the auditors Interim Annual Audit report for 2023/24, appended to the report submitted, including the key and improvement recommendations contained within.

46. **2024/25 Second Quarter Financial Monitoring Report (to September 2024)**

The Audit and Procurement Committee considered a report of the Director of Finance and Resources, which advised of the forecast outturn position for revenue and capital expenditure and the Council's treasury management activity as at the end of September 2024.

The Committee noted that the report had also been considered by Cabinet at its meeting held on 10th December 2024 (their Minute 45/24 refers).

The net revenue forecast position after management action was for spend in 2024/25 of £10.2m over budget. Whilst not a wholly comparable position, at the same point in 2023/24 there was a projected overspend of £11.5m. Appendices to the report provided Revenue Position: a Detailed Service Breakdown of Forecast Outturn Position; the Capital Programme: Analysis of Budget/Technical Changes; the Capital Programme: Analysis of Programme Acceleration/(Rescheduling); and Prudential Indicators.

The Council continued to face budget pressures within both Adults and Children's social care, Housing, and City Services. Other overspends were also being reported in Property Services and Business, Investment and Culture. These financial pressures were being caused by a combination of legacy inflation impacts, continued increases in service demand, complexity of cases and social care market conditions, income shortfalls due to reduced activity, and slippage in the delivery of some service savings.

The Council's position included a significant number of one-off actions that had been applied to reduce the overspend. Recognising that the underlying position was significantly higher, further urgent action was required to address the pressure in year and to prevent the 2025/26 position increasing to unmanageable levels.

The Council's capital spending this year was projected to be £143m and included major schemes progressing across the city. The size of the programme and the nature of the projects within it continued to be fundamental to the Council's role within the city. Although prevailing inflation rates looked to be stabilising, legacy inflationary pressures and high borrowing rates continued to affect capital projects. The assumption was that stand-alone projects that were already in-progress would be delivered as planned but that future projects that had not yet started would need to be re-evaluated to determine their deliverability within previously defined financial budgets.

The materiality of the financial pressures, both revenue and capital, had reaffirmed the imperative to maintain strict financial discipline and re-evaluate the Council's medium-term financial position. This would be a priority across all services as the Council developed its future budget plans in the coming months.

RESOLVED that the Audit and Procurement Committee note the content of the report and confirm that it has no recommendations for the Cabinet.

47. **Information Governance Annual Report 2023-2024**

The Audit and Procurement Committee considered a report of the Director of Law and Governance that provided a summary of the Council's performance during 2023/2024 in responding to requests for information received under Data Protection legislation. It also reported on the management of data protection security incidents and/or those reported to the Information Commissioner's Office (ICO) and on data protection training.

Information was one of the Council's greatest assets and its correct and effective use was a major responsibility and was essential to the successful delivery of the Council's priorities. Ensuring that the Council had effective arrangements in place to manage and protect the information it held, both personal and business critical information, was a priority.

Data protection legislation set out the requirements on organisations to manage information assets appropriately and how they should respond to requests for information. The ICO was the UK's independent supervisory authority set up to uphold information rights in the public interest, promote openness by public bodies and data privacy for individuals, and monitors compliance with legislation.

The Information Governance (IG) function supported the Council's compliance with the UK General Data Protection Regulations (GDPR), Data Protection Act (DPA) 2018, Freedom of Information Act 2000 (FOIA) and Environmental Information Regulations (EIR). The Council had a statutory obligation to comply with this framework by responding appropriately to requests and managing personal data lawfully. The Information Governance Team assist the organisation in meeting these requirements by monitoring internal compliance, informing and advising on data protection obligations, providing advice and guidance and raising awareness on data protection matters.

The landscape in which public authorities were now operating had continued to change since the introduction of the GDPR and subsequently UKGDPR and the new Data Protection Act 2018 (DPA 2018) in 2018.

In March 2023, the Government introduced the Data Protection and Digital Information Bill which did not complete its passage through parliament prior to the UK parliamentary general election being called for July 2024. The new Government had subsequently introduced to parliament the Data (Use and Access) Bill with the stated purpose to "unlock the secure and effective use of data for the public interest". While it retained some of the measures proposed in its predecessor, others were amended and some new elements introduced. Implications for local government would be monitored as the Bill progressed to ensure that the City Council would be able to meet the new requirements when they are introduced.

In June 2022, the ICO set out a revised approach to working more effectively with public authorities. This approach has seen an increased use of the ICO's wider powers under data protection law, including warnings, enforcement notices and reprimands as well as changing its approach to the application of fines in the public sector and the ICO is currently considering the next steps.
The number of Freedom of Information Requests received by the Council in 2023/24, 1428 was higher (232) from the previous 2022/23 year. The Council responded to 81% of FOIA/EIR requests within the target time of 20 working days in 2023/24 which was a decrease on the previous year. While this replicated the improvement in performance seen after the introduction of a new management system, performance remained below the 90% threshold set by the ICO.

The Council received 30 requests for internal reviews in the year 2023/24 (down from 37 the previous year) and responded to these with the following outcomes:

- 10 were not upheld – the exemptions that had been applied were maintained and no further information was provided;
- 6 were not upheld – but advice or clarification was provided;
- 4 were partially upheld – some further was information provided;
- 7 were upheld - information was provided;
- 3 were withdrawn.

No complaints were made to the ICO during 2023/24, compared to 12 complaints the previous year.

286 valid Subject Access Requests (SARs) were received during 2023/24, an increase of 13 on the previous year. While the Council received fewer SARs than other information requests, many of these were complex and could involve managing significant amounts of sensitive information. The number of requests relating to Children's Social care, as well as the number of SARs to which extensions were applied due to their size and/or complexity both slightly increased. The completion rate within the target time had increased to 84% in 2023/24, up from 79% the previous year.

The Council received 12 requests to carry out an internal review into a SAR application during 2023/24, the same as the previous year. In 9 cases, further information was provided which was located through further searches based on information provided by the requester or by reviewing the information which had originally been redacted. Where information was not provided, this was due to the original exemptions being upheld or information not being held by the Council.

No complaints were made to the ICO related to Subject Access Requests in 2023/24.

In respect of data security incidents, protecting information from theft, loss, unauthorised access, abuse and misuse was crucial in order to reduce the risk of data breaches or financial loss incurred through noncompliance with key legislation. The IG data protection security incident reporting process supported the Council's objective that breaches were managed promptly, and outcomes of investigations were used to inform reviews of the control measures in place to keep personal information secure.

The Council actively encouraged the reporting of near misses and potential breaches to identify learning, promote awareness and reduce the likelihood of a serious breach to information even though not all reported incidents would have resulted in a breach. Even where there was no breach, incidents could provide valuable insight into training requirements and processes and procedures which may need to be strengthened as a preventative measure. When investigating data protection security incidents, the Data Protection Team routinely consider resultant training needs and provide advice and guidance as required. Messages continue to be provided to staff alerting them to the need to protect personal data and use it appropriately.

In 2023/24, 176 reports of information security incidents were sent to the Data Protection Team, a decrease from 219 in the previous year. Of these, 103 did not involve a breach of personal data. These included for example near misses, loss or theft of equipment, cases where technical measures prevented access to data and incidents where a breach was contained. Of the incidents where a breach of personal data was identified, 70 were identified as low risk, 1 medium and 1 high. The majority of reports were classified as information being disclosed in error with 57 reports relating to technical/procedural errors, 28 reports relating to loss or theft of hardware and 1 to unauthorised access.

The GDPR introduced requirements for personal data breaches that meet certain thresholds to be reported to the ICO. Two self-reports were made to the ICO during 2023/2024.

One complaint was made to the ICO during 2023/2024 related to the council's Data Protection Obligations. The ICO confirmed that they did not intend to take regulatory action and provided guidance to the council on measures to implement to avoid future incidents.

Data Protection training was key to ensuring staff were aware of their responsibilities. Training was currently delivered through the Council's e-learning platform and annual completion of the data protection course was mandatory for all staff with access to personal data. Staff who did not have access to a computer in their role (not office based) and those with minimal personal data involved in their role were provided with appropriate level training. This ensured that an appropriate level of understanding and awareness was reached that was relevant to their role/responsibilities. For the 2023/24 year, the Council reported a completion rate of the Council's mandatory data protection training of 95%. The Elected Member Training and Development Strategy, introduced for the 2022/23 year, also included data protection training.

The Data Security and Protection Toolkit was an online tool that allowed relevant organisations that processed health and care data to measure their performance against data security and information governance requirements which reflected legal rules and Department of Health policy. The self-assessment tool enabled the Council to demonstrate that it could be trusted to maintain the confidentiality and security of personal information, specifically health and social care personal records. All organisations that had access to NHS patient data and systems used this Toolkit to provide assurance that they were practicing good data security and that personal information was handled correctly. For the 2023/24 reporting period, the Council met all of the mandatory requirements and was assessed as meeting required standards.

The Audit and Procurement Committee:

1. **Note the Council's performance of Freedom of Information, Subject Access and other Data Protection Act requests, including the outcomes of internal reviews and the number and outcome of complaints made to the ICO.**

2. **Note the reporting and management of data security incidents.**

3. **Note data protection training compliance**

4. **Did not identify any comments or recommendations.**

48. **Half Year Fraud and Error Report 2024 / 2025**

The Audit and Procurement Committee considered a report of the Director of Finance and Resources that provided a summary of the Council's anti-fraud and error activity undertaken by the Internal Audit Service during the first half of the financial year 2024-25.

Fraud in the public sector had a national focus through the publication of "Fighting Fraud and Corruption Locally – The Local Government Counter Fraud and Corruption Strategy". Whilst the national strategy states that the level of fraud in the public sector is significant, the current trends in fraud activity includes areas which Coventry City Council does not have responsibility for, for example, social housing, and the levels of identified / reported fraud against the Council remain at relatively low levels, in terms of both numbers and value.

The report documented the Council's response to fraud and error during the first half of the financial year 2024-25 and was presented to the Audit and Procurement Committee in order to discharge its responsibility, as reflected in its terms of reference 'to monitor Council policies on whistle blowing and the fraud and corruption strategy'.

The Internal Audit Service was responsible for leading on the Council's strategic response to the risk of fraud and error. The work of the team had focused on three main areas during 2024-25: National Fraud Initiative; Referrals and Investigations considers through the Council's Fraud and Corruption Strategy; and Fraud awareness.

A summary of the key activity that has taken place during 2024-25 to date were:

National Fraud Initiative (NFI) – The NFI exercise was led by the Cabinet Office. The exercise took place every two years and matched electronic data within and between public bodies, with the aim of detecting fraud and error. Internal Audit work in 2024-25 had been mainly focused on collating and submitting the datasets for the next exercise. This was completed in early October 2024. The matches were released in January 2025 and form part of the planned programme of work for 2025/26. Matches relating to council tax single person discounts were released annually and now fall under the responsibility of the Revenues and Benefits Service.

Referrals and Investigations – From time to time, the Internal Audit Service would receive referrals or were asked to assist with investigations relating to employee misconduct and other fraud against the Council involving external individuals. Table two within the report indicated the number of referrals by source in 2024-25, along with figures for the previous three financial years.

It was important to note that there was no mechanism for determining the number of reports the Council should receive on an annual basis and it was very difficult to anticipate or identify the reasons behind fluctuations in numbers. It was also worth noting that this information only reflected referrals made in respect of concerns relating to fraud and corruption and did not include other matters raised under the Whistleblowing Policy.

Of the nine referrals received, four led to a full investigation. The reasons for referrals not resulting in a full investigation included (a) initial assessment / fact finding did not find any evidence to support the allegations (b) appropriate action had already been taken, e.g. the fraud had been prevented, and (c) the nature of the event meant it was impractical to pursue further.

In addition to the four investigations highlighted above, three further investigations were carried forward from 2023-24. Six investigations related to fraud / theft or other activities linked to obtaining a financial benefit and one related to a Code of Conduct matter. Three out of the seven investigations were still on-going, whilst of the remaining four:

- One case involved a direct payment, administration of the payments was moved to a managed account and action had been taken to recover monies.
- One case involved the provision of false information to support a claim for homelessness assistance, the Council ended its duty to provide temporary accommodation.
- For one case, a formal re-setting of standards took place.
- In one case, the concern was not substantiated.

Fraud Awareness – In 2024-25 to date, the Internal Audit Service had attended a number of training sessions with employees from Adult Social Care to raise awareness of the types of fraud that could occur within the social care environment, and particularly within direct payments. The Service also delivered a fraud awareness session to colleagues from Human Resources as part of their away day

Significant frauds - Within the International Auditing Standards, there were clear expectations around the level of oversight that the Audit and Procurement Committee should have in relation to the risk of fraud within the Council. This included an expectation that appropriate detail was provided around significant fraud. The following principles had been applied when defining significant fraud:

- A financial impact in excess of £10,000.
- Frauds of under £10,000 can be included if the Chief Internal Auditor considers this justified by the nature of the fraud.
- In terms of establishing when a fraud has occurred, this is normally defined as occurring when the disciplinary process has been concluded, although in cases not involving employees, this will be linked to other management action, such as criminal prosecution.

In the period April 2024 to September 2024, no significant frauds had been concluded.

RESOLVED that the Audit and Procurement Committee note the anti-fraud and error activity undertaken during the first half of the financial year 2024/25.

49. **Complaints to the Local Government and Social Care Ombudsman 2023 /2024**

The Audit and Procurement Committee considered a report of the Chief Executive, regarding complaints to the Local Government and Social Care Ombudsman 2023/24.

The Committee noted that the report had also been considered by the Cabinet Member for Policy and Leadership at his meeting held on 5th December 2024

(Minute 9/24 refers) and the Ethics Committee at its meeting held on 9th January 2025 (Minute 18/24 refers).

The Local Government and Social Care Ombudsman (LGSCO) was the final stage for complaints about Councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. It was a free service that investigated complaints in a fair and independent way and provided a means of redress to individuals for injustice caused by unfair treatment or service failure.

Coventry City Council's Complaints Policy sets out how individual members of the public could complain to the Council, as well as how the Council would handle their compliments, comments and complaints. The Council also informed individuals of their rights to contact the LGSCO if they were not happy with the Council's decision once they had exhausted the Council's complaints process.

The LGSCO issued an annual letter to the Leader and Chief Executive of every Council, summarising the number and trends of complaints dealt with relating to that Council that year. The latest letter, issued on 17th July 2024, covered complaints to the LGSCO relating to Coventry City Council between April 2023 and March 2024 (2023/24).

The report set out the number, trends and outcomes of complaints to the LGSCO relating to Coventry City Council in 2023/24. It focused on upheld complaints, service areas with a high number of complaints, compliance with Ombudsman's recommendations, learning from complaints, comparisons with prior years, and how we compare to other local authorities.

RESOLVED that, the Audit and Procurement Committee:

1. **Considered the Council's performance in relation to complaints to the LGSCO.**

2. **Note the Council's updated complaints process and guidance.**

3. **Reviewed and were assured that the Council takes appropriate action in response to complaints investigated and where the Council is found to be at fault.**

50. **Outstanding Issues**

The Audit and Procurement Committee considered a report of the Director of Law and Governance that identified issues on which a further report/information had been requested or was outstanding so that the Committee were aware of them and could manage their progress.

Appendix 1 to the report provided details of an issue where a report had been requested to a meeting along with the anticipated date for consideration of the matter.

Appendix 2 of the report provided details of an item where information had been requested outside the formal meeting.

RESOLVED that the Audit and Procurement Committee notes the Outstanding Issues report

51. **Work Programme 2024/2025**

The Audit and Procurement Committee considered a report of the Director of Law and Governance that detailed the Work Programme of scheduled issues to be considered by the Committee during the Municipal Year 2024/2025.

RESOLVED that the Audit and Procurement Committee notes the Work Programme for 2024/2025.

52. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of public business.

(Meeting closed at 3.37 pm)

Coventry City Council
Minutes of the Meeting of the Audit and Procurement Committee held at 2.30 pm on Monday, 17 February 2025

Present:

Members:	Councillor R Lakha (Chair) Councillor J Blundell Councillor A Hopkins Councillor A Jobbar Councillor P Male Councillor B Singh (Deputy Chair)
Employees (by Service Area):	
Finance and Resources	B Hastie (Director of Finance and Resources (Section 151 Officer), P Baggott, P Helm, T Pinks, K Tyler
Law and Governance	M Salmon
Apologies:	Councillor M Ali

Public Business

53. **Declarations of Interest**

There were no disclosable pecuniary interests.

54. **Disclaimed 2023-24 Statement of Accounts**

The Audit and Procurement Committee considered a report of the Director of Finance and Resources (Section 151 Officer) that sought approval for the disclaimed 2023/24 Statement of Accounts. Appendices to the report provided: the Coventry City Council's Statement of Accounts 2023-24; the External Auditor, Grant Thornton, Audit Findings Report 2023-24 for Coventry City Council; and the Draft Independent Auditor's Report to the Members of Coventry City Council 2023-24.

In 2024, the Government passed legislation designed to address the backlog in the completion of local authority accounts. This legislation specified 'backstop' deadlines for the completion of audit work relating to particular financial years. The deadline for the Statement of Accounts 2023/24 was set as 28th February 2025. In the event of uncompleted audits, auditors would be required to issue either qualified opinions or disclaimers, as appropriate.

As a result of significant delays in the completion of the audit of the 2019/20 accounts, and subsequent disclaimed audits of the 2020/21, 2021/22 and 2022/23 accounts which were published on 10th December 2024 in line with specified backstop dates for these years, the draft Statement of Accounts for 2023/24 was published on 29th November 2024.

Grant Thornton provided an Audit Findings Report for the work carried out on the audit of 2023/24 accounts since 1st December 2024. They had also drafted disclaimed opinions for 2023/24 and proposed 'management letters of representation' for the Council to review.

The Audit and Procurement Committee was approving these accounts for publication on the Council's behalf. This followed an extension to the period of audit by Grant Thornton beyond the Council's initial deadline to complete and authorise the Statement of Accounts by the end of July 2025.

Members asked questions and received assurances at the meeting from officers and the external auditor, Grant Thornton, who attended the meeting, on matters that included: donations of heritage assets; group reserves adjustment due to a reclassification; disclosure issues; inclusion of pension strain figures in accounts; UKBIC – contingent liability; further detailed work on schools income and expenditure; IT audit findings; valuation of long-term investments; external auditors fee for 2023/24; and disclaimer requirement.

The Chair thanked the Council's finance officers and Grant Thornton for their positive working relationship and the hard work undertaken to address the completion of the 2023/24 accounts.

RESOLVED that the Audit and Procurement Committee:

1) Notes the details presented in the 2023/24 Audit Findings Report.

2) Accepts the disclaimed opinions provided by the external auditor in relation to the 2023/24 accounts.

3) Grants authorisation for the requested letter of representation for 2023/24, to be signed and returned to the external auditors.

55. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of public business.

(Meeting closed at 3.20pm)

Coventry City Council

Public report
Cabinet

Cabinet — 11th February 2025
Audit and Procurement Committee — 17th March 2025

Name of Cabinet Member:
Cabinet Member for Strategic Finance and Resources - Councillor R Brown

Director Approving Submission of the report:
Director of Finance and Resources (Section 151 Officer)

Ward(s) affected:
City-wide

Title:
2024/25 Third Quarter Financial Monitoring Report (to December 2024)

Is this a key decision?
No

Executive Summary:

The purpose of this report is to advise Cabinet of the forecast outturn position for revenue and capital expenditure and the Council's treasury management activity as at the end of December 2024. The net revenue forecast position after management action is for spend in 2024/25 of **£7.0m over budget**. Whilst not a wholly comparable position, at the same point in 2023/24 there was a projected overspend of £8.5m.

The Council continues to face budget pressures within both Adults and Children's social care, Housing, and City Services. Other overspends are also being reported in Property Services and Business Investment & Culture. These financial pressures are being caused by a combination of legacy inflation impacts, continued increases in service demand, complexity of cases and social care market conditions, income shortfalls due to reduced activity, and slippage in the delivery of some service savings.

The Council's position above includes a significant number of one-off actions that have been applied to reduce the overspend. Recognising that the underlying position is significantly higher, further urgent action is required to address the pressure in year and to prevent the 2025/26 position increasing to unmanageable levels.

The Council’s capital spending this year is projected to be £111.3m and includes major schemes progressing across the city. The size of the programme and the nature of the projects within it continue to be fundamental to the Council’s role within the city. Although prevailing inflation rates look to be stabilising, legacy inflationary pressures and high borrowing rates continue to affect capital projects. The assumption is that stand-alone projects that are already in-progress will be delivered as planned but that future projects that have not yet started will need to be re-evaluated to determine their deliverability within previously defined financial budgets.

The materiality of the financial pressures, both revenue and capital, has reaffirmed the imperative to maintain strict financial discipline and re-evaluate the Council’s medium-term financial position. This will be a priority across all services as the Council develops its future budget plans.

Recommendations:

Cabinet is requested to:

1) Approve the Council’s third quarter revenue monitoring position.

2) Approve the revised forecast capital outturn position for the year of £111.3m incorporating: £3.3m net increase in spending relating to approved/technical changes and £35m of net programme rescheduling of expenditure into future years.

Audit and Procurement Committee is requested to:

1) Consider the proposals in the report and forward any recommendations to the Cabinet.

List of Appendices included:

Appendix 1 - Revenue Position: Detailed Service breakdown of forecast outturn position
Appendix 2 - Capital Programme: Analysis of Budget/Technical Changes
Appendix 3 - Capital Programme: Analysis of Programme Acceleration/(Rescheduling)
Appendix 4 - Prudential Indicators

Background papers:

None

Other useful documents

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

Yes - Audit and Procurement Committee on 17th March 2025

Will this report go to Council?

No

Report title:
2024/25 Third Quarter Financial Monitoring Report (to December 2024)

1. Context (or background)

1.1 Cabinet approved the City Council's revenue budget of £277.5m on 20th February 2024 and a Capital Programme of £157.5m. This is the third quarterly monitoring report for 2024/25. The purpose is to advise Cabinet of the forecast outturn position for revenue and capital expenditure, recommending any action required, and to also report on the Council's treasury management activity.

1.2 The current 2024/25 revenue forecast is for net expenditure to be **£7.0m over budget** (after management action). The reported forecast at the same point in 2023/24 was an overspend of £8.5m. The capital spend for 2024/25 is projected to be £109.3m.

1.3 It is not unusual for the revenue position to reflect a forecast overspend at this stage which could be improved before the end of the financial year. However, as significant management action has already been factored in, the **underlying position is significantly** higher than the £7.0m forecast and will materially impact on future years budget setting.

1.4 The overspend is caused partly by factors external to the Council and which can be expected to be ongoing (affecting future years MTFS) if action is not taken urgently. Other pressures included in the forecast reflect slower than expected delivery of some savings approved in the 24/25 budget, although these are expected to be delivered in full in due course.

1.5 Following on from the £1.8m reported at the end of 2023/24, the underlying position for which was somewhat higher, this indicates a continued serious financial trend for the Council which is not sustainable over the long-term. Section 2 of the report provides further detail on the revenue position and Section 5 sets out the Council's proposed approach to managing the position.

1.6 As a final backstop it should be noted that the Council maintains a strong balance sheet in-part to protect itself from circumstances such as this, although it should be re-iterated that reserves are a finite resource and should only be applied sparingly to mitigate ongoing revenue overspends, and once a medium-term solution is in place.

2. Options considered and recommended proposal.

2.1 This is a budget monitoring report and as such there are no options.

Table1 Revenue Position - The revenue budgets and forecast positions are shown below analysed by service area.

Total Over / (Under) spend at Q2	Service Area	Revised Net Budget	Total Forecast Spend	Total Over/ (Under) Spend at Q3
£m		£m	£m	£m
4.3	Adult Services and Housing	131.0	135.7	4.7
3.7	Childrens and Education	113.9	117.5	3.6
3.0	City Services	41.7	44.2	2.5
(3.8)	Contingency & Central Budgets	(35.9)	(42.9)	(7.0)
(0.3)	Finance and Resources	13.1	12.6	(0.5)
0.2	Legal and Governance Services	8.7	9.2	0.5
0.5	People and Organisation Development	1.0	1.5	0.5
(0.1)	Planning and Performance	6.3	6.2	(0.1)
0.1	Policy and Communication	0.0	0.1	0.1
2.0	Property Services and Development	(9.1)	(7.3)	1.8
(0.4)	Public Health	(1.3)	(1.7)	(0.4)
1.0	Regeneration and Economy Dev	8.1	9.4	1.3
10.2	**Total**	**277.5**	**284.5**	**7.0**

2.2 An explanation of the major forecast variances is provided below, some of which are of an ongoing nature if urgent action is not taken. Further details are provided in Appendix 1 to the report.

Directorate

<u>Adult Services & Housing £4.7m overspend</u>

Within Adult Services & Housing the largest element of overspend relates to Adult Social Care (£4.3m) which is mainly due to the costs of purchasing packages of care for adults and older people, this is partially offset by increased client fee income. Growth in packages of care continues to be seen in most areas, but particularly in areas of high cost and demand associated with Learning Disability home care, transitions from children to adults, Mental Health, and in general complexity associated with reviewing activity. This increase in spend on packages of care is the main reason for the overall £0.5m increase in the Adult Services and Housing overspend since Q2.

The other significant variance within Adult Services & Housing relates to Housing and Homelessness (£0.5m) which is a result of the number of families and single people seeking assistance with housing issues, and subsequently the number being placed in Temporary Accommodation. A range of different additional temporary accommodation provision is being sought to reduce this cost, however delays to some of the proposed schemes is resulting in a pressure against the delivery target. The Q3 position has improved by £0.2m due to lower than projected increases in temporary accommodation placements this quarter alongside further management actions to mitigate pressures.

<u>Children's and Education Services £3.6m overspend</u>

Within Children & Education Services £5.9m of the total overspend relates to the cost of placements for children in care. The relates to the use of external residential children's homes and high-cost spot placements due to a lack of sufficiency in the market and some voids across block and internal homes. There is an annual trend of increased numbers of children moving to residential care in the summer and alongside this, we have also seen an increase in the number of children entering care, with total numbers having risen by over 40 children between April and the end of September. This means children in care numbers are currently higher than our financial planning assumptions.

There is a further overspend of £0.6m in the Children's Disability Team due to an increase in both demand and prices for short breaks and direct payments. As well as a £0.7m overspend for SEND Home to School Transport due to increased demand alongside a mid-year review of the internal passenger service central costs which resulted in a budgetary pressure.

These overspends are offset in part by underspends across the service including: £1.0m against Special Guardianship allowances, £0.6m in Early Help, £0.3m against recruitment and retention initiatives and £0.5m across SEND and Education Entitlement. The division is also utilising £0.7m of uncommitted earmarked reserves to support the bottom line.

<u>City Services £2.5m overspend</u>
The most significant pressure relates to Highways of £1.1m. The DLO have been deployed onto reactive maintenance work whilst capital grant funded business case approvals are awaited, resulting in a £0.5m short-term pressure which is delivering a greater number of pothole repairs in year. This is in addition to programmed highway's defects and potholes repairs which is under a £0.4m pressure due to the volume of defects reported. During 2024/25, there is no ability to manage reactive overspends through the approved capital programme.

Environmental Services represents £1.0m of the Directorates pressure, with income deficits in Coventry Funeral Service £0.3m and parks activities £0.5m. A further £0.2m pressure is forecast relating to Traveller incursion costs due to eviction prevention and clean-ups. Waste & Fleet are holding c£0.6m pressures relating to additional waste disposal fees & cost of passenger transport.

There is also a £0.5m deficit in Planning and Development, primarily due to reduced income generation caused by the decline in planning applications and the cost of the Local Plan Review.

Traffic Policy and Innovation are reporting c£200k underspend at Quarter 3 in the main generated by additional income and vacancies this contributes to the overall divisions improved c£0.6m reduced cost this quarter

<u>Property Services and Development £1.9m overspend</u>
There is a small improvement in the forecast from quarter 2 c£100k but still experiencing two main elements that form this quarter forecast overspend. The first being £0.6m short-term costs of holding vacant properties within the City Centre South (CCS) project prior to demolition (which if CCS site is handed over to the contractor, will not be incurred next year). The second relates to a net £0.7m cost of holding voids (e.g. rates, building servicing costs) within the commercial portfolio. In addition, plans in place to bring in new rentals, are taking longer to deliver, however this is being offset in the short-term using earmarked reserves. Work is underway to significantly reduce these in-year deficit, however this cannot be confirmed until the end of this calendar year.

Regeneration and Economy £1.3m
This relates to a pressure in Culture of £1m, comprising primarily a Godiva Festival deficit and Cultural Gateway holding costs. Commercial sponsorship income is forecasting c£0.2m achieved to date, leaving a c£0.2m pressure remaining.

Corporate

Contingency and Central (£7.0m Underspend)
Favourable variances within corporate contingency budgets include the £3.2m grant announced in the final government settlement in February 2024, which was allocated to corporate contingencies as well as £1m additional Business Rates Pool income and some smaller Central Government Grants.

This is being offset by an adverse variance (£1.2m) which is due to a forecast underachievement of 2024/25 savings targets relating to the One Coventry programme, where detailed work is in progress to fully develop the scope and potential impact of the proposals, to inform implementation.

In addition to this there is also a £1.3m surplus forecast on Asset Management Revenue Account, relating to increased planned income from CWSDC dividend income, an increase in temporary investment interest, and reduced service loan interest.

2.3 **Capital**

The quarter 3 2024/25 capital outturn forecast is £111.3m compared with the second quarterly outturn of £143.0m. Table 3 below updates the budget at quarter 3 to take account of £3.3m of new approved/technical changes and £35m of programme rescheduling into future years.

The resources available section of Table 3 explains how the Capital Programme will be funded in 2024/25. It shows 80.5% of the programme is funded by external grant monies, whilst 15.9% is funded from borrowing. The programme also includes funding from capital receipts of £3.8m.

Table 3 – Movement in the Capital Budget

CAPITAL BUDGET 2024/25 MOVEMENT	**Qtr 3 Reporting £m**
Revised Programme (Reported at Q2)	143.0
Approved / Technical Changes (see Appendix 2)	3.3
“Net” (Rescheduling) (See Appendix 3)	(35.0)
Revised Estimated Outturn 2024-25	**111.3**

RESOURCES AVAILABLE:	**Qtr 3 Reporting £m**
Prudential Borrowing (Specific & Gap Funding)	17.7

Grants and Contributions	89.6
Capital Receipts	3.8
Revenue Contributions and Capital Reserve	0.2
Total Resources Available	**111.3**

The inflationary pressures affecting the Council's revenue budget are also present within capital schemes although the pattern with which this takes affect can be different due to the way in which expenditure is incurred. It is likely that most stand-alone projects that are already in-progress will be delivered within existing agreed contractual sums. However, some future projects that have not yet started may need to be re-evaluated to determine their deliverability within previously defined financial budgets. In addition, where budgets have been established to deliver programmes of expenditure, it is likely that these programmes will need to be reduced in size over time reflecting higher prices.

2.4 **Treasury Management**

Interest Rates

CPI inflation figure announced on 18th December 2024 increased by 0.3% to 2.6% for the month of November compared to the October (2.3%) which was in line with the Council's treasury advisors (Arlingclose) expectations. The outlook for CPI inflation in the November Monetary Policy Report (MPR) showed it rising above the Money Policy Committee (MPC's) 2% target from 2024 into 2025, reaching around 2.75% by the middle of 2025. This represents a modest near-term increase due to the ongoing impacts from higher interest rates, the Autumn Budget, and a projected margin of economic slack. Over the medium-term, once these pressures ease, inflation is expected to stabilise around the 2% target.

A consequence of this economic volatility is that the Bank of England interest rate remained at 4.75% following the December meeting. The Committee voted 6-3 to keep the base rate at 4.75%. The fears of higher inflation and a UK Government-induced rise in economic growth have led investors to price in fewer rate cuts by the Bank of England.

It was thought that the base rate would start to fall in 0.25% increments throughout the majority of 2024. However, the Bank of England Monetary Policy Committee (MPC) maintained interest rates at 5.25% until August 2024 where there was a reduction of 0.25% followed by a subsequent reduction of 0.25% in November 2024 following favourable inflation data. In the longer term Arlingclose are forecasting a continued reduction in the base rate to 3.75% by the end of 2025/26.

Long Term (Capital) Borrowing

The net long-term borrowing requirement for the 2024/25 Capital Programme is £1.6m, considering borrowing set out in Section 2.3 above (total £17.7m), less amounts to be set aside to repay debt, including non PFI related Minimum Revenue Provision (£16.1m). In the current interest rate climate, the Council has no immediate plans to take any further new long-term borrowing although this will continue to be kept under review.

The Public Works Loan Board (PWLB) remains the main source of loan finance for funding local authority capital investment. In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more details and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Under the Treasury Management Strategy 2022/23 approved by Cabinet on 22 February 2022 it was agreed the Council will not purchase investment assets primarily for yield.

Interest rates for local authority borrowing from the Public Works Loans Board (PWLB) at the end of each quarter are detailed in the table below:

PWLB Loan Duration (maturity loan)	Rates at 31/03/2024	Rates at 30/06/2024	Rates at 30/09/2024	Rates at 31/12/2024
BoE Base Rate	**5.25%**	**5.25%**	**5.00%**	**4.75%**
5-year	4.68%	4.89%	4.55%	5.10%
50-year	5.01%	5.18%	5.13%	5.66%

The rates in the table have been updated to reflect the PWLB New Loan Maturity rates, as opposed to the repayment maturity rates which were previously used to populate the above table. The new maturity rates highlight the amounts the Council is likely to pay if they were to secure new borrowings. The PWLB allows qualifying authorities, including the City Council, to borrow at 0.2% less than the published rates which is reflected in the rates above. This “certainty rate” initiative provides a small reduction in the cost of future borrowing. The table demonstrates the increase in borrowing rates during the year.

Regular monitoring continues to ensure identification of any opportunities to reschedule debt by early repayment of more expensive existing loans replaced with less expensive new loans. The premiums payable on early redemption usually outweigh any potential savings.

Short Term (Temporary) Borrowing and Investments

The Council’s Treasury Management Team acts daily to manage the City Council’s day-to-day cash-flow, by borrowing or investing for short periods. By holding short term investments, such as money in call accounts, authorities help ensure that they have an adequate source of liquid funds.

Returns provided by the Council’s short-term investments yielded an average interest rate of 4.88% a reduction of 0.14% on returns compared to last quarter (5.02%). The drop, in comparison to the previous quarter, is mainly because of a drop in Bank of England interest rates. The rate of return reflects low risk investments for short to medium durations with UK banks, Money Market Funds, Certificates of Deposits, other Local Authorities, Registered Providers, and companies in the form of corporate bonds.

Although the level of investments varies from day to day with movements in the Council’s cash-flow, investments held by the City Council identified as a **snapshot** at the reporting stages were:

	As at 30th September 2024 £m	As at 31st December 2024 £m
Banks and Building Societies	0.0	0.0
Local Authorities	26.0	48.0
Money Market Funds	31.0	15.6
Corporate Bonds	0.0	0.0
HM Treasury	0.0	0.0
Total	**57.0**	**63.6**

External Investments

In addition to the above in-house investments, there is a core mix of £30m in Collective Investment Schemes or “pooled funds”, where investment is in the form of sterling fund units and not specific individual investments with financial institutions or organisations. The pooled funds are generally AAA rated; highly liquid, as cash can be withdrawn within two to four days; and have a short average duration. These investments include Certificates of Deposit, Commercial Paper, Corporate Bonds, Floating Rate Notes, Call Account Deposits, Property and Equities. However, they are designed to be held for longer durations allowing any short-term fluctuations in return due to volatility to be smoothed out. To manage risk these investments are spread across several funds Schroders, Ninety-One Investec, Columbia Threadneedle and M&G Investments). In addition, there is an investment in the CCLA property fund. This fund is not as liquid and access to redemption of units in this fund is subject to 6 months’ notice.

Returns provided by the Council’s pooled funds yielded an average interest rate of 5.44% over the last 12 months. On 30th November 2024 the pooled funds were valued at £27.4m (£27.5m at 30 Sept 2024), against an original investment of £30m (a deficit of £2.6m). All seven pooled funds show a deficit value but returns on these investments remain strong. As world economies improve, and interest rates become lower, then values should improve. The property market is predicted to have bottomed out, and the fund is being actively managed to provide good returns. There remains an expectation that the full value for each pooled fund will be recovered over the medium term - the period over which this type of investment should always be managed. Current accounting rules allow any ‘losses’ to be held on the Council’s balance sheet and not counted as a revenue loss. The override to the accounting rules is due to expire on 31st March 2025 however a government consultation is currently taking place regarding a further extension. These investments will continue to be monitored closely and are likely to be redeemed when they reach par value.

Prudential Indicators and the Prudential Code

Under the CIPFA Prudential Code for Capital Finance authorities are free to borrow, subject to them being able to afford the revenue costs. The framework requires that authorities set and monitor against Prudential Indicators relating to capital, treasury management and revenue issues. These indicators are designed to ensure that borrowing for capital purposes is affordable, sustainable and prudent. The purpose of the indicators is to support decision making and financial management, rather than illustrate comparative performance.

The indicators, together with the relevant figures at 31 December 2024 are included in **Appendix 4** to the report. This highlights that the City Council's activities are within the amounts set as Performance Indicators for 2024/25. Specific points to note on the ratios are:

- The Upper Limit on Variable Interest Rate Exposures (indicator 9) sets a maximum amount of net borrowing (borrowing less investments) that can be at variable interest rates. At 31 December 2024, the value is -£60.8m (minus) compared to £99.1m within the Treasury Management Strategy, reflecting the fact that the Council has more variable rate investments than variable rate borrowings at the current time.

- The Upper Limit on Fixed Interest Rate Exposures (indicator 9) sets a maximum amount of net borrowing (borrowing less investments) that can be at fixed interest rates. At 31 December 2024, the value is £238.0m compared to £495.9m within the Treasury Management Strategy, reflecting both the level of actual borrowing and that a significant proportion of the Council's investment balance is at a fixed interest rate.

2.5 **Commercial Investment Strategy – Loans and Shares**

The Council's Commercial Investment strategy is designed to ensure there are strong risk management arrangements and that the level of commercial investments held in the form of shares, commercial property and loans to external organisations, are proportionate to the size of the Council. In doing this the strategy includes specific limits for the total cumulative investment through loans and shares. The total combined limit for 2024/25 is £125m, against which there are £105m of existing commitments:

	Limit	Actual 31st December 2024	Committed and Planned 2024/25	Total	Headroom
	£m	£m	£m	£m	£m
Shares	55.0	52.1	0.0	52.1	2.9
Loans	70.0	50.8	1.9	52.7	17.3
	125.0	**102.9**	**1.9**	**104.8**	**20.2**

The committed or planned total of £1.9m includes loan facilities to lend which may not necessarily be taken up, although the Council is committed to provide the funds if requested.

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 There is no implementation timetable as this is a financial monitoring report.

5. Comments from the Director of Finance and Resources (Section 151 Officer) and the Director of Law and Governance

5.1 Financial implications

Revenue
The net quarter 3 forecast reflects a continuing serious position for the Council. The net forecast, after significant management action is a **£7.0m revenue overspend** and incorporates a range of intractable ongoing service demand related issues, the persistence of inflationary pressures continuing to impact cost, and the under achievement of a number of income and savings targets. Actions taken so far (set out below), are of a largely one-off nature, meaning the **underlying position remains significantly higher.**

At this stage of the monitoring cycle there is a real and significant threat that the Council will not be able to balance its revenue position by year-end without the use of reserve contributions, and without further urgent and ongoing action, **will also increase the initial 2025/26 MTFS gap approved by Council in February 2024**.

These circumstances continue to be common to councils across the country with instances of financial stress again being widely reported. The failure of the local government finance system to tackle issues around social care funding plus the continued legacy impact of inflation, have placed many councils in a perilous financial position. Recent government funding announcements will help this position in 2025/26 but will not solve fully.

The trend for cost-of-service delivery has generally over time reflected an upwards trajectory, reflecting prevailing inflation and market conditions. However, the unprecedented levels of inflation in the last couple of years has affected all service delivery costs such that 2022/23, through to 2024/25 and beyond, reflect a very steep relative upward trend for the Council’s key service costs.

The 2024/25 pay offer was accepted in October 2024 by the trade unions in line with budget provisions assumed during the 2024/25 Budget Setting process.

Continuing difficulties in the external markets for both children and adults are well documented but issues including the cost of highly complex cases and higher than planned levels of inflationary increases in placement costs have persisted to apply pressure to the budgetary provision included within the Council’s budget.

It is necessary therefore to continue to identify and carry out management actions to help reduce the deficit, as discussed below.

Management Action
This difficult position carries on from that faced in 2023/24 when the Council needed to balance its financial outturn position using £1.8m of reserves. Such a solution would be the Council’s backstop position for 2024/25 but is one that the Council **should be anxious to avoid**. The Council holds limited unearmarked reserve balances and recognises that such an approach is not sustainable in the medium term. It is therefore imperative to identify and adopt approaches that help the Council to manage its short-

term pressures, whilst at the same time supporting the outlook for 2025/26 and medium-term financial problems.

The Council's Leadership Team has already instigated a range of immediate responses and is in the process of taking forward other actions in support of 2025/26. The following actions used to mitigate the underlying pressures in year have been taken so far:

- Continued robust challenge and review of forecasts
- Continuation of tight recruitment controls
- Alternative funding opportunities from grant/reserves
- Undertake a comprehensive review of service reserves.
- Continued communication and challenge to all staff to embed a strong financial culture.
- Identification of service management actions to reduce cost

In readiness for the Budget Setting Consultation published in December 2024, the Leadership Board have identified options and service impact of reducing ongoing spend levels to within budget for political decision.

Continued efforts from both officers and portfolio holders are needed in order to minimise the 2024/25 forecast overspend. This, together with the above would give sufficient assurance that the Director of Finance and Resources does not need to take any extra-ordinary action at this stage to respond to the financial position (such as issuing a Section 114 Notice) either in respect of 2024/25, or future years. However, **Cabinet should be in no doubt that the underlying position for 2024/25 is again incredibly challenging and will have an impact on Budget Setting for 2025/26.**

Capital
The Council's Capital Programme continues to include a range of strategically important schemes across the city. This continues to be a large mostly grant funded programme continuing the trend of recent years. The programme includes major scheme expenditure on secondary schools' expansion, Very Light Rail, disabled facilities grant (DfG), construction of Woodlands School, City Centre South and delivery of the City Centre Cultural Gateway development.

5.2 Legal implications

The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables Cabinet to remain aware of issues and understand the actions being taken to maintain a balanced budget.

6. Other implications

6.1 How will this contribute to the One Coventry Plan? (https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan)

The Council monitors the quality and level of service provided to the citizens of Coventry and the key objectives of the One Coventry Plan. As far as possible it will try to deliver better value for money and maintain services in line with its corporate priorities balanced against the need to manage with fewer resources.

6.2 **How is risk being managed?**

The need to deliver a stable and balanced financial position in the short and medium term is a key corporate risk for the local authority and is reflected in the corporate risk register. A recent reassessment indicates that the Council now faces a greatly increased level of risk in this area, described in section 5. Good financial discipline through budgetary monitoring continues to be paramount in managing this risk and this report is a key part of the process. A range of urgent actions has been set out in response to the Council's financial position. It is vital that Council officers and members are aware of the current financial challenge and activity across the second quarter of the year including the measures outlined will provide some indication of the direction of travel for the remainder of the year. This in turn will dictate the extent to which the bottom line can be moved significantly closer to a balanced position.

6.3 **What is the impact on the organisation?**

It remains important for the Council to ensure that strict budget management continues to the year-end. The Council may be forced to make some difficult policy choices over the coming months especially in areas that do not have a strict statutory basis, and which involve material levels of discretionary and flexible expenditure.

6.4 **Equalities / EIA**

No current policy changes have been proposed but the possibility remains that the Council may need to consider changes to existing services through the year. If this is the case, the Council's equality impact process will be used to evaluate the potential equalities impact of any proposed changes.

6.5 **Implications for (or impact on) Climate Change and the environment**

No impact at this stage although climate change and the environmental impact of the Council's decisions are likely to feature more strongly in the future.

6.6 **Implications for partner organisations?**

No impact.

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Appendix 1

Revenue Position: Detailed Directorate Breakdown of Forecasted Outturn Position

Table 1 below shows budget variations analysed between those that are subject to a centralised forecast variance and those that are managed at service level (termed "Budget Holder Variance" for the purposes of this report). The Centralised budget areas relate to salary costs – the Council applies strict control over recruitment such that managers are not able to recruit to vacant posts without first going through rigorous processes. In this sense managers must work within the existing establishment structure and salary budgets are not controlled at this local level. The Centralised salaries and Overheads under-spend of £5.5m shown below is principally the effect of unfilled vacancies and are offsetting service (Budget Holder) pressures.

Table 1

Service Area	Revised Net Budget	Forecast Spend	Centralised Variance	Budget Holder Variance	Total Variance
	£m	£m	£m	£m	£m
Adult Services and Housing	131.0	135.7	(1.4)	6.1	4.8
Childrens and Education	113.9	117.5	(1.9)	5.5	3.6
City Services	41.7	44.2	(1.2)	3.7	2.5
Finance and Resources	13.1	12.6	(0.3)	(0.3)	(0.5)
Legal and Governance Services	8.7	9.2	(0.3)	0.7	0.4
People and Organisation Development	1.0	1.5	0.2	0.3	0.5
Planning and Performance	6.3	6.2	0.1	(0.3)	(0.2)
Policy and Communication	0.0	0.1	0.1	0.0	0.1
Property Services and Development	(9.1)	(7.3)	(0.4)	2.3	1.9
Public Health	(1.3)	(1.7)	(0.2)	(0.2)	(0.4)
Regeneration and Economy Dev	8.1	9.4	(0.2)	1.5	1.3
Contingency & Central Budgets	(35.9)	(42.9)	0.0	(7.0)	(7.0)
Total	**277.5**	**284.5**	**(5.5)**	**12.3**	**7.0**

Table 2 below provides service explanations for any variances at a reporting area level over £100k.

Table 2

Service Area	**Reporting Area**	**Explanation for variance from budget**	**Total Forecast variance £m**
Adult Services	Strategic Commissioning (Adults)	The underspend relates to New Homes for Old Private Finance Initiative additional client fee income above budget.	(0.6)
Adult Services	Adult Social Care Director	Identified underspend on appointee ships provision and other adult social care projects and a contribution of £45k to an integrated ICT solution to support the operationalisation of Local Integrated Teams with University Hospital Coventry & Warwickshire.	(0.3)
Adult Services	Enablement & Therapy Services	The underspend relates to vacancies within the Therapy team.	(0.1)

Adult Services	Internally Provided Services	Staffing over-spends relating to overtime, casual pay, and agency which are partly offset by under-spends arising from related vacancies and additional income.	0.1
Adult Services	Adult Social Care Business & Financial Management	The underspend relates to the decommissioning of the electronic call monitoring system and staff vacancies which are in the process of being recruited to.	(0.1)
Adult Services	Localities and Social Care Operational	The overspend relates to additional agency staff costs due to a large number of vacancies. This overspend is only partly offset by underspends due to those staff vacancies which are in the process of being recruited to.	0.2
Adult Services	Community Purchasing Mental Health	The budget for purchasing packages of care for adults and older people in adults social care continues to see significant pressures. We continue to see growth in most areas, but in particular areas of high cost and demand associated with Learning Disability home care, transitions from children to adults, and Mental Health and in general complexity associated with reviewing activity. Increased activity reflects the complexity of the casework with increased demand projected during the year. Scrutiny continues across all areas where budgets are authorised to ensure cost effectiveness and escalation where appropriate including people with Continuing Health Care (CHC) or joint funding criteria.	4.7
Adult Services	Community Purchasing Other	The community purchasing budget is managed as a whole - please refer to the explanation against 'Community Purchasing Mental Health'.	0.2
Adult Services	Other Variances Less that 100K		0.2
Housing & Homelessness	Housing and Homelessness	The number of families and single people seeking assistance with housing issues and subsequently the number being placed in Temporary Accommodation increased at a higher level than expected at the start of the year. A range of different additional temporary accommodation provision was sought as part of the Medium-Term Financial Strategy, however delays to the proposed schemes have created a pressure against the delivery target. Lower than projected temporary accommodation placement increases through the last quarter, alongside management actions taken, have mitigated these pressures (£0.4m) resulting in a slightly stronger position than at Q2.	0.5
TOTAL Adult Services & Housing			**4.8**

Children’s Services	Corporate Parenting and Sufficiency	There is a £5.9m forecast overspend on placements for children in care. This figure takes into account income from central government for unaccompanied asylum-seeking children which ensures these children do not contribute to the budgetary pressure. The pressure relates to the use of external residential children’s homes and high-cost spot placements due to a lack of sufficiency in the market and some voids across block and internal homes. There is an annual trend of increased numbers of children moving to residential care in the summer and alongside this, we have also seen an increase in the number of children entering care, with total numbers having risen by over 40 children between April and the end of September. This means children in care numbers are currently higher than our financial planning assumptions. In addition to the Residential Strategy & Fostering Excellence program, a number of actions are being taken to address this pressure; increase occupancy in internal and block residential children’s homes, recommission Regional frameworks to increase the number of children cared for by framework providers, review all care experienced leavers post 18 years and 3 months in supported accommodation and move children, when appropriate, to alternative internal / framework provision or to a foster home following review of all children living within a children’s home. In addition, children continue to be supported to return home through our reunification project. The overall position is mitigated in part by use of reserves and underspends across other areas of the service including a £1m forecast underspend for Special Guardianship allowances, where the activity is below the level anticipated when the budget was set.	4.5
Children’s Services	Children's Services Management Team	This underspend is due to the cost of social worker recruitment and retention initiatives being lower than anticipated when the budget was set.	(0.3)
Children’s Services	Help & Protection	The variance is predominantly due to a £0.6m forecast underspend across Family Hubs and Early Help, where due to staffing vacancies staff costs are expected to be below budget. The remainder of the underspend is a combination of smaller variances across other parts of the service.	(0.9)
Education Services	SEND & Specialist Services	SEND Transport is forecasting an overspend of £0.7m. The forecast demand and cost of home to school travel assistance for the September 2024 academic year, was based on the following assumptions: The increase in EHCPs will mirror demand for the 2023/24 year; the proportionality of placements between mainstream and specialist will not change and the mode of travel will continue to require taxi provision as Coventry’s fleet capacity will be exhausted. Service demand forecasts have been revised to reflect the actual activity and costs of the new academic year. This includes a mid-year revision of the internal passenger service costs. Whilst the re-	0.5

		procurement of taxi routes has provided a strengthening of quality standards and safeguarding, we are not yet able to quantify any efficiencies. Volume demand has continued to increase reflecting the ongoing pressure for EHC Plans and specialist placements, immediate mitigation activity has been identified, which identifies capacity to reduce reliance on taxis. This overspend is offset in part by underspends across other areas of the service.	
Education Services	Education Entitlement	£0.1m of this underspend relates to the Virtual School and is linked to staffing vacancies and utilisation of additional grant funding where appropriate. £0.1m is due to reduced expenditure on bus passes. The number of pupils eligible for bus passes is based on statutory criteria and policy and has not reduced but we are now only charged where passes are used. The remaining underspend has resulted from an update to the education PFI affordability model.	(0.3)
Education Services	Other Variances Less that 100K		0.1
Ringfenced Funding - Dedicated Schools Grant (DSG)	SEND & Specialist Services	The overall forecast for SEND provision is a net overspend of £1.2m. The increase in demand for EHCPs is mirroring 23/24 activity levels creating further growth overall. We are seeing an increase in top-up funding into mainstream schools due to increase in activity (new plans) and unit cost (higher levels of banded funding) - £1.2m overspend. This is also impacting expenditure spent on alternative provision, where increase in activity is leading to a forecast overspend of £0.7m, and expenditure spent on personal budgets forecast overspend of £0.1m. Post 16 provision is also forecast to overspend by £0.2m due to increase in activity and unit cost. The significant increase in demand means that the availability of specialist school placements, both within Coventry and out of city, is limited, and these overspends are offset by an underspend of £1m across special schools, enhanced resource provision, other local authority special schools and independent specialist provision (ISP). The SEND Transformation Strategy is in place and is focusing on supporting inclusivity in mainstream schools through workforce strategy and sharing best practice, developing appropriate support for children with additional needs through alternative provision, and creating additional special school and enhanced resource provision places. The £1.2m overspend against provision is offset in part by a £0.2m underspend across central services primarily due to vacancies.	1.0
Ringfenced Funding - Dedicated Schools Grant (DSG)	Schools	£0.9m of this underspend relates to the Council's High Needs holding pot. This is budget that has been earmarked to support the Council's overall SEND Strategy and fund known provision cost pressures that will arise in future years. There is also a £0.3m underspend against the Growth Fund, alongside receipt of a £0.2m Core Schools Budget Grant allocation for centrally employed teachers which was unbudgeted.	(1.4)

Ringfenced Funding - Dedicated Schools Grant (DSG)	Financial Strategy	Technical adjustment to remove total Dedicated Schools Grant Variance from the General Fund position.	0.4
TOTAL Childrens and Education			**3.6**
Finance and Resources	Revenues and Benefits	This is made up of £0.3m housing benefits subsidy overspend, £0.2m Council tax collection team bank and HBOP direct debit charges and £0.2m staffing and Capita costs of banded CTS scheme. These are being offset by £0.4m support from HSF grant.	0.3
Finance and Resources	Customer & Business Services	Underspend is due to staff vacancies across the service, a reduction in the organisational use of postal service, reduced client support costs and the generation of additional income.	(0.5)
Finance and Resources	Other Variances Less that 100K		(0.3)
TOTAL Finance and Resources			**(0.5)**
Legal and Governance Services	Legal Services	Agency in Legal Services continues to be reviewed and challenged, but is required to cover caseload capacity in Children's, Adults and Education. Work to reduce the pressure has improved the forecast by c.£200k since Q2, and further improvements will be sought.	0.5
Legal and Governance Services	Procurement	Benefits from the prompt payment scheme	(0.2)
Legal and Governance Services	Regulatory Services	Successful recruitment and team stability has impacted the delivery of turnover targets across this area.	0.1
TOTAL Legal and Governance Services			**0.4**
People and Organisation Development	Employment Services	The delivery of the Payroll MTFS restructure is ongoing and is likely to be fully implemented in the new year. At Q3 c.£50k is remaining to be implemented. The MFTS target means that further turnover targets are not being met. Income is slightly below target for the year.	0.1
People and Organisation Development	HR - People & Culture	This is due to an Historic Resourcing Team restructure MTFS target of £70k not being delivered, some income under recovery and one-off apprentice salary budget cost pressures.	0.2
People and Organisation Development	Employment Policy & Practice	The overspend mainly relates to £130k Job Evaluation team unfunded salary costs and £80k Employee Relations team turnover target but no vacancies.	0.2
TOTAL People and Organisation Development			**0.5**

Property Services and Development	Commercial Property and Development	Commercial property portfolio income has a pressure of £0.7m due to voids and the associated void costs. There is also a pressure of £0.8m reflecting annual net holding costs for the City Centre South property (incl. NNDR), which will fall away once the project goes 'unconditional'. The retail market sees a pressure of c.£0.2m as the costs for supplies and services are exceeding budget provision. The variances are largely constituted by pressures associated with void properties in the commercial property portfolio, holding costs associated with the City Centre South scheme and expenditure pressures relating to Coventry Retail Market.	1.9
Property Services and Development	Facilities & Property Services	The surplus mainly relates to R&M trading service overachieving income target having won a few large contracts.	(0.2)
Property Services and Development	Management & Support	The pressure mainly relates to remaining income target delivery delay and minor turnover target.	0.2
TOTAL Property Services and Development			**1.9**
Highways	Parking	Car Park income is forecast to be significantly improved following the 10% price increase earlier in the year. However, this is being offset by underachievement of Parking Enforcement income against challenging income targets.	(0.1)
Highways	Highways	The key cause of the overspend is the removal of corporate capital that has been used historically to prop up defect repairs (neither CRSTS Grant funding nor re-baseline can be used for this work) coupled with a significant reduction in chargeable (capital) work that the team rely on to cover costs. MTFS targets in Flood risk management have seen a notable improvement this year.	1.2
Highways	Other Variances Less that 100K		0.1
Transport Policy and Innovation	Transport Policy	Additional income is being forecast in respect of a number of sites/activities including Cycleways (University of Warwick), Utility & Services work and S278/S38 contributions. There are also underspends regarding vacancies which is partly being offset by some additional spend within Air Quality.	(0.2)
Environmental Services and Development	Planning Services	As per previous quarters, Q3 Planning Application fee income is broadly in line with projections and ahead of the last two years at the same periods. However, the number of major applications is still relatively low in line with the national trend and therefore total income is below the budgeted target. Total forecast deficit £0.4m, as well as the current year pressure in relation to costs associated with undertaking the Local Plan review of £0.1m	0.5

Environmental Services and Development	Streetpride & Parks	Decrease in overall income in bereavement across memorialisation and crematorium due to a small decrease in death rates and cost of living. Coventry Funeral Services are forecasting £0.1m loss in year one alongside £0.2m MTFS target which will not be achieved. These pressures are being offset by £0.2m of actions being taken to reduce spend to essential only for the foreseeable future. A net pressure of £0.3m relates to income across parks is down due to a reduction in visitor numbers and associated parking and activity income. An underspend of £0.2m relates to vacancies in Streetpride that are unlikely to be recruited until towards the end of the year. There is also a £0.25m net pressure relating to Trees & Woodlands (essential tree works and H&S inspections) and costs associated with traveller incursions. These are being partly offset by holding vacancies.	0.4
Environmental Services and Development	Waste & Fleet Services	The main pressure in this area is c£0.5m in Waste Disposal which is as a result of a) increased tonnages/gate fees, b) increased costs at the CA site and c) lack of rebate income re recyclates. *(This pressure has been reduced by planned use of earmarked reserves.)* Other variations relate to subsidy re: Bulky Waste c£0.2m as a result of continuing to offer half price collections, Christmas overtime costs c£0.1m, Transport Costs at the Waste Transfer Station c£0.1m, offset by reduced spend on new bins £0.1m, reductions in sickness and lower fuel consumptions within Passenger Transport Service of £0.1m, and underspends for vacancies in Fleet & Workshops, and other miscellaneous variations totalling c£0.1m.	0.6
TOTAL City Services			**2.5**
Public Health	Public Health - Migration	Underspend represents a release of funding previously held in reserve	(0.4)
TOTAL Public Health			**(0.4)**
Planning and Performance	Transformation Programme Office	Underspend represents a release of funding previously held in reserve	(0.2)
TOTAL Planning and Performance			**(0.2)**
Policy and Communication	Other Variances Less that 100K		0.1
TOTAL Policy and Communication			**0.1**
Regeneration and Economy Development	Culture, Sports, Events & Destination	Total overall service pressure mainly comprises of Cultural Gateway pre-construction, mobilisation and holding costs (including rates) and Godiva Festival deficit primarily due to lower ticket sales, associated lower commercial income, bad weather and Euro 2024 fixture clashes. Wider service pressures are partially mitigated by vacancies in staffing, income generation from wider events and sports activities;	1.0

		and management actions implemented to reduce costs across quarter 3 and quarter 4.	
Regeneration and Economy Development	Regeneration & Economy Management Support	To date over £0.1m of sponsorship and commercial income has been generated and is forecasted to achieve over £0.2m this year. However, the overall quarter 3 variance is in the main due to a shortfall of £0.2m against a challenging income target for sponsorship and advertising, progress is being made but more slowly due to external industry business planning cycles, and internal processes to fulfil procurement, planning and highways obligations.	0.2
Regeneration and Economy Dev	Other Variances Less that 100K		0.1
TOTAL Regeneration and Economy Development			**1.3**
Contingency & Central Budgets	Revenue AFC	Favourable variances within corporate contingency budgets include the £3.2m grant announced in the final government settlement in February 2024, which was allocated to corporate contingencies, as well as £1m additional Business Rates Pool income and some smaller Central Government grants. This is being offset by an adverse variance (£1.2m) which is due to a forecast underachievement of 2024/25 savings targets relating to the One Coventry programme, where detailed work is in progress to fully develop the scope and potential impact of the proposals, to inform implementation.	(5.7)
Contingency & Central Budgets	Treasury Management	£1.3m surplus forecast on Asset Management Revenue Account, relating to increased planned income from CWSDC dividend income, an increase in temporary investment interest, and reduced service loan interest	(1.3)
TOTAL Contingency & Central Budgets			**(7.0)**
Total Budget Holder Outturn Variances			**0.7**

Appendix 2

Capital Programme Approved / Technical Changes

SCHEME	EXPLANATION	£m
National Cycle Network Activation Programme (NCN) - Canley Ford Extension	Briefing Note to Cabinet Member on 13th June - Canley Ford area - enhanced maintenance of footway / cycleway. Grant agreement for £521k now sealed with Sustrans to allow delivery of scheme.	0.5
Business Energy Advice Service	Programme was late starting this year so there is no opportunity to claim the full grant and the there are no opportunities to carry forward, therefore requiring a reduction to the previously assumed capital programme.	(0.3)
Stoney Road Allotments - Summerhouse Restoration Project	Grant awarded from Historic England and S106 identified to fund this project.	0.3
Schools Condition - Salix Heat Pumps	This is the funding grant amount from Salix that can be claimed for the heat pumps project. A revised grant award letter was shared to this effect. This funding has a grant end date of 31 March 2025.	0.8
Public Sector Decarbonisation Scheme 3	Report 'Public Sector Decarbonisation Scheme - CCC Public Buildings' taken to cabinet on 12th March 2024 approved a programme upto £1.85m funded by Salix grant (£0.8m) and prudential borrowing upto £1m.	1.8
Miscellaneous	Schemes below £250k threshold	0.2
TOTAL APPROVED / TECHNICAL CHANGES		**3.3**

Appendix 3

Capital Programme: Analysis of Programme Acceleration/(Rescheduling)

SCHEME	EXPLANATION	£m
Highways Maintenance & Investment	The acceleration is due to delivering extra footway reconstruction work, using the £10m re-base monies. The decision was made earlier in the year to maintain workflow for the DLO and to also help with the capital maintenance backlog of defective flagged footways.	0.8
Local Network Improvement Plan - Safety Schemes	Prioritisation of School Streets programme and delays in obtaining Police and supplier support for average speed enforcement (ASE) programmes have delayed programme development in 2024. Works are planned and scheduled, however due to the nature of works and supply chain requirements the delivery of schemes within the LNIP safety schemes and vulnerable users programme will typically take in excess of 12 months to deliver with available resources mindful of existing commitments.	(0.6)
Local Network Improvement Plan - Green Light Fund	External funding from DFT. Funding must be spent by 31st March 2026. Mindful of this and the need to bring forward and deliver UTMC LNIP schemes in year which were of higher priority, the focus for the Green Light Fund scheme revolved around scheme development. This work is largely complete and will result in substantial element of delivery now taking place in Q2 and Q3 2025 when it can be appropriately programmed with an external contractor to not effect the core LNIP works programme.	(0.5)
Active Travel 4 - Coundon Cycleway	Delays to finalising designs with external funding bodies and commencement of consultation have led to programme delay. Construction works due to commence in Q4 2024/25.	(1.9)
Vehicle & Plant Replacement	£1.3m will not be spent in this financial year (FY), this is due to some refuse vehicles not being delivered in this FY and moving into next year. Those vehicles are unavailable at the manufacturer and have a 14-month lead time.	(1.3)
Simpler Recycling	Food waste service is not going to be rolled out until August 2025 (Q2 2025). There is a co-mingled recycling service being run in the meantime.	(0.3)
Education - Woodlands School	Time was lost in the process of verifying the main contract with work undertaken to consider value engineering, discharge planning conditions, structural surveys including laboratory assessments to ensure structural stability of the building frame and foundations. The latter was as a requirement to ensure risk is properly managed.	(4.7)
Education - Condition	Some spend against projects will be completed by end of next financial year. Projects have been challenging and taken longer to progress than in previous years due to site constraints mainly. Some contracts have only just been signed before Christmas.	(2.8)
National Battery Manufacturing Development Facility	Remaining capital funding project funding rescheduled into new financial year to allow recovery of any further CCC costs related to the project.	(0.4)

Loans	That is the remaining amount that Coombe can draw down from the loan facility. The option to make a draw down remains available to them until 29th August 2028. However, they don't currently have plans to make any further drawdowns.	(0.4)
City Centre Cultural Gateway	The rescheduling of the capital forecast is due to the main contractor entering into Administration at the end of September and the construction project being on hold till a new contractor can be procured.	(6.1)
Housing Venture	This project is now under review as the Capital receipt has not been spent and there doesn't seem to be any agreements in place with Citizen as to where the funds will be spent, a JV Board has been set up and a decision should be made by yearend to the way forward	(0.9)
City Centre South	Spend has been pushed back because of delays with the project due to ongoing legal agreements with the developer.	(15.1)
Miscellaneous	Schemes below £250k threshold	(0.8)
TOTAL RESCHEDULING		**(35.0)**

Appendix 4

Prudential Indicators

Indicator	per Treasury Management Strategy 2024/25	As at 31 December 2024
Ratio of Financing Costs to Net Revenue Stream (Indicator 1), This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs.	14.94%	14.44%
Gross Borrowing should not, except in the short term, exceed the total of the Capital Financing Requirement (CFR) at 31st March 2024 plus the estimates of any additional CFR in the next 3 years (Indicator 2), illustrating that, over the medium term, net borrowing (borrowing less investments) will only be for capital purposes. The CFR is defined as the Council's underlying need to borrow, after taking account of other resources available to fund the capital programme and is the amount of capital expenditure that has not yet been financed by capital receipts, capital grants or contributions from revenue.	Estimate / limit of £525.9m	£308.0m Gross borrowing within the limit.
Authorised Limit for External Debt (Indicator 5), This statutory limit sets the maximum level of external borrowing on a gross basis (i.e. excluding investments) for the Council. Borrowing at this level could be afforded in the short term but is not sustainable. The Authorised limit has been set on the estimated debt with sufficient headroom over and above this to allow for unexpected cash movements.	£545.9m	£308.0m is less than the authorised limit.
Operational Boundary for External Debt (Indicator 6), This indicator refers to how the Council manages its external debt to ensure it remains within the statutory Authorised Limit. It differs from the authorised limit as it is based on the most likely scenario in terms of capital spend and financing during the year. It is not a limit and actual borrowing could vary around this boundary for short times during the year.	£525.9m	£308.0m is less than the operational boundary.
Upper Limit on Fixed Rate Interest Rate Exposures (Indicator 9), These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. The Upper Limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could impact negatively on the overall financial position.	£495.9m	£238.0m
Upper Limit on Variable Rate Interest Rate Exposures (Indicator 9), as above highlighting interest rate exposure risk.	£99.1m	-£60.8m
Maturity Structure Limits (Indicator 10), This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, thereby managing the effects of refinancing risks. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.		

< 12 months 12 months – 24 months 24 months – 5 years 5 years – 10 years 10 years +	0% to 50% 0% to 20% 0% to 30% 0% to 30% 40% to 100%	5% 17% 5% 16% 57%
Investments Longer than 364 Days (Indicator 11), This indicator sets an upper limit for the level of investment that may be fixed for a period greater than 364 days. This limit is set to contain exposure to credit and liquidity risk.	£30m	£0.0m

Coventry City Council

Public report

Report to

Audit and Procurement Committee 17th March 2025

Name of Cabinet Member:
Cabinet Member for Policy and Leadership – Councillor G Duggins

Director approving submission of the report:
Director of Finance and Resources (Section 151 Officer)

Ward(s) affected:
City-wide

Title:
Internal Audit Recommendation Tracking Report

Is this a key decision?
No

Executive summary:

The purpose of this report is to provide the Audit and Procurement Committee with an update on the progress made in implementing internal audit recommendations since January 2024.

Recommendations:

The Audit and Procurement Committee is recommended to note the progress made in implementing audit recommendations and confirm its satisfaction with this and the proposed action by the Chief Internal Auditor for audits where actions remain outstanding.

List of Appendices included:

Appendix One – Results of Formal Follow up Exercise
Appendix Two – Results of Self-Assessment Follow up Exercise

Background papers:

None

Has it or will it be considered by scrutiny?

No other scrutiny consideration other than the Audit and Procurement Committee

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title: Internal Audit Recommendation Tracking Report

1. Context (or background)

1.1 The Public Sector Internal Audit Standards requires that "the Chief Audit Executive (i.e. Chief Internal Auditor) must establish a follow up process to monitor and ensure that management actions have been effectively implemented or that senior management have accepted the risk of not taking action."

1.2 As reflected within its terms of reference, the Audit and Procurement Committee is required to receive reports on Internal Audit's follow up process. This report provides an update as to progress in respect of the agreed management actions which have been followed up during the period January 2024 to January 2025.

2. Options considered and recommended proposal

2.1 **Follow Up Procedure -** Given the number of audits that the Internal Audit Service completes every year, it is critical that it has a robust procedure in place for ensuring that it obtains appropriate assurance that audit recommendations have been implemented but does so in an efficient and proportionate way. Where appropriate, Internal Audit defines within its audit reports the follow up process to those responsible for the system / area under review and a date is agreed of when this will take place.

Currently, there are three key considerations that will determine the follow up procedure adopted, namely:

1) Whether the area audited is subject to an annual review.

2) The level of assurance provided in the audit report.

3) A self-assessment process for those reviews where neither of the points above apply, but a follow up review is necessary.

2.2 These considerations are expanded upon below:

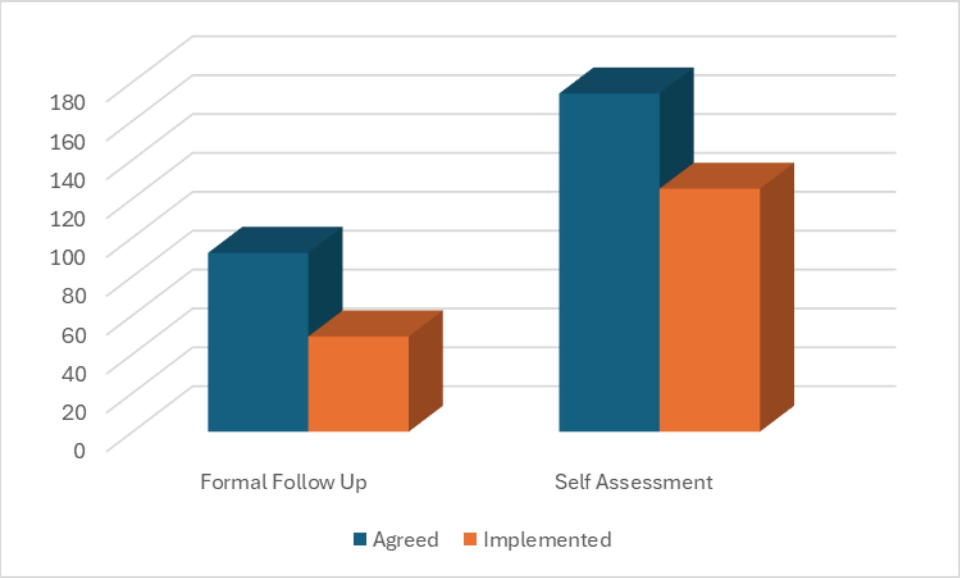
- **Annual Audits:** Where audits are undertaken on an annual basis, a formal follow up review is undertaken as part of the next audit. This involves Internal Audit assessing progress through audit testing to ensure that agreed actions have been implemented and are working effectively.

- **Level of Assurance:** Any audit which receives 'no' or 'limited' assurance is subject to a follow up review to assess improvements based on a timing agreed between Internal Audit and relevant management. In either of these circumstances, a formal follow up review will take place which involves Internal Audit assessing progress through audit testing to ensure that agreed actions have been implemented and are working effectively.

- **Self-Assessment Process:** For all other audits, a process exists which is based on a self-assessment by relevant managers. This involves Internal Audit asking managers for an update on the action taken to implement audit recommendations.

2.3 Overall, it is believed that the procedure achieves the right balance between ensuring action is taken in response to risks identified by Internal Audit and allowing the Service to focus on delivering the Annual Audit Plan.

2.4 **Results –** The results of the latest follow up exercise are attached at Appendix One and Two and are summarised in the graph below.



Of the 266 actions followed up, 65% have been implemented based on both the formal and self-assessment follow up method. When this is analysed by follow up method the results are:

- Formal follow up method – 53% implementation rate.

- Self-assessment follow up method – 72% implementation rate.

In terms of the specific results, the following points should be considered:

- Formal follow up – The implementation rate of 53% has continued to improve over the last two years, and additional actions are ongoing to support the continued progress in this area (see below.)

- Self- assessment – The rate of implementation continues to be higher than the formal follow-up method, which potentially calls into question the reliability of the self-assessment method. Steps are being taken to address this, with clarity being sought where managers do not provide sufficient information to support their assessment.

During 2024-25, the Chief Internal Auditor attended Leadership Board to discuss the importance of implementing agreed audit recommendations and the follow up process. As a result, trackers have now been put in place for each Director so they can monitor progress independently and a further update will be provided to Leadership Board in the near future.

2.6 **Proposed Way Forward for Dealing with Outstanding Actions** - After the follow up has been completed, the results are collated within Internal Audit. If progress is not consistent with expectations, audit management will determine the next course of action.

Based on the reasons for the lack of progress, the following courses of action are available:

- Revised implementation dates are agreed for outstanding actions.
- Concerns raised through the management structure to ensure senior managers are aware of both the lack of progress made and the risks still facing a service.
- As a last resort, to ask the Audit and Procurement Committee to intervene and seek prompt action from the relevant manager.

Our proposed actions for the audits where recommendations remain outstanding are highlighted within Appendices One and Two.

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 There is no implementation timetable as this is a monitoring report.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1 Financial Implications

There are no specific financial implications associated with this report. Internal audit work has clear and direct effects, through the recommendations made, to help improve value for money obtained, the probity and propriety of financial administration, and / or the management of operational risks.

5.2 Legal implications

Reporting on progress in implementing audit recommendations ensures that the Council meets its statutory obligations in respect of maintaining an effective internal audit function and represents good governance.

6. Other implications

6.1 How will this contribute to achievement of the One Coventry Plan?
(https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan)

Internal Auditing is defined in the Public Sector Internal Audit Standards as "an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes". As such the work of Internal Audit is directly linked to the Council's key objectives / priorities with specific focus agreed on an annual basis and reflected in the annual Internal Audit Plan.

6.2 How is risk being managed?

In terms of risk management, there are two focuses:

- Internal Audit Service perspective - The main risks facing the Service are that the planned programme of audits is not completed, and that the quality of audit reviews fails to meet customer expectations. Both these risks are managed through defined processes (i.e. planning and quality assurance) within the Service, with the outcomes included in reports to the Audit and Procurement Committee.

- Wider Council perspective - The key risk is that actions agreed in audit reports to improve the control environment and assist the Council in achieving its objectives are not implemented. To mitigate this risk, a defined process exists within the Service to gain assurance that all actions agreed have been implemented on a timely basis. Such assurance is reflected in reports to the Audit and Procurement Committee. Where progress has not been made, further action is agreed and overseen by the Audit and Procurement Committee to ensure action is taken.

6.3 What is the impact on the organisation?

None

6.4 Equalities / EIA

None

6.5 Implications for (or impact on) Climate Change and the environment

No impact

6.6 Implications for partner organisations?

None

Report author:

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Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Law and Governance	26/2/2025	27/2/2025
Tina Pinks	Finance Manager Corporate Finance	Finance and Resources	26/2/2025	28/2/2025
Names of approvers for submission: (officers and members)				
Barry Hastie	Director of Finance and Resources (Section 151 Officer)	-	26/2/2025	27/2/2025
Councillor G Duggins	Cabinet Member for Policy and Leadership	-	26/2/2025	4/3/2025
Councillor R Lakha	Chair of Audit and Procurement Committee	-	26/2/2025	26/2/2025

This report is published on the council's website: www.coventry.gov.uk/council-meetings

Appendix One – Results of Formal Follow Up Exercise

Audit Review	High Risk Actions Agreed	High Risk Actions Implemented	Medium Risk Actions Agreed	Medium Risk Actions Implemented	Additional Comments
Compliance with Pre-employment checks	6	4	13	6	
Enabling Attendance	4	3	4	2	
Resourcelink Self Service Delegated Authority	4	4	0	0	
Transparency Code	4	0	1	0	Subject to a further formal follow up
IR35 in Schools	4	3	1	0	Subject to a further formal follow up
IR35	6	3	2	2	
Accounts Receivable 23/24	0	0	2	1	
Payroll 23/24	0	0	2	2	
Council tax 23/24	0	0	5	3	
Business Rates 23/24	4	1	10	1	Staffing changes and resource issues have delayed progress. Lack of progress was highlighted in the audit opinion. Subject to an annual audit in 2024-25
Care Director 23/24	2	2	18	12	
Total	34	20	58	29	

Revised implementation dates have been agreed for all outstanding actions, and these will be followed up through a further formal follow up / the self-assessment process

Appendix Two – Results of Self-Assessment Follow up Exercise

Audit Review	High Risk Actions Agreed	High Risk Actions Implemented	Medium Risk Actions Agreed	Medium Risk Actions Implemented	Additional Comments
EDI in Recruitment	0	0	4	4	
Software Asset Management	0	0	4	3	
Mobile devices	0	0	4	0	
Repairs and Maintenance	4	1	0	0	
Storage Area Network	0	0	1	1	
Dol-y-Moch Recruitment	0	0	10	9	
Accounts Payable	1	1	4	3	
Information Governance Risk Management	2	2	1	1	
John Gulson Primary School	7	5	10	7	
Holyfast Primary School	7	7	10	9	
IT Equipment Physical Security Controls	2	2	8	3	
Statutory Compliance	6	2	1	0	
Budgetary Control	3	2	0	0	
Monitoring of Key IT Platforms	0	0	1	1	
Pothole Pro Health Check	0	0	2	2	
Limbrick Wood Primary School	3	3	6	6	
Whitmore Park Primary School	10	9	8	5	
Stoke Primary School	5	3	9	8	
Accounts Receivable	0	0	1	1	
End User Computing	0	0	5	1	
Off Contract Agency Spend	0	0	5	0	Staffing changes have delayed progress
Asset Management Patching and Configuration	0	0	1	1	

Audit Review	High Risk Actions Agreed	High Risk Actions Implemented	Medium Risk Actions Agreed	Medium Risk Actions Implemented	Additional Comments
Compliance with Working Together Standards	2	2	1	1	
Council Tax arrears	0	0	6	5	
Register Office	0	0	5	4	
Deprivation of Liberty Safeguards	2	1	2	0	
Allesley Primary School	0	0	4	3	
Risk Management	0	0	4	4	
IR35	3	3	0	0	
Total	57	43	117	82	

Revised implementation dates have been agreed for all outstanding actions, and these will be followed through a further self-assessment.

Coventry City Council

Public report

Report to:

Audit and Procurement Committee 17th March 2025

Name of Cabinet Member:
Cabinet Member for Policy and Leadership – Councillor G Duggins

Director approving submission of the report:
Director of Finance and Resources (Section 151 Officer)

Ward(s) affected:
City-wide

Title:
Quarter Three Internal Audit Progress Report 2024-25

Is this a key decision?
No – this is a monitoring report

Executive summary:

The purpose of this report is to provide the Audit and Procurement Committee with an update on the internal audit activity for the period April to December 2024, against the Internal Audit Plan for 2024-25.

Recommendations:

Audit and Procurement Committee is recommended to:

1) Note the performance as at quarter three against the Internal Audit Plan for 2024-25.

2) Consider the summary findings of the key audit reviews (attached at Appendix Two to the report).

List of Appendices included:

Appendix One - Audit Reviews Completed between April and December 2024

Appendix Two - Summary Findings from Key Audit Reports

Background papers:

None

Other useful documents:

None

Has it or will it be considered by scrutiny?

No other scrutiny consideration other than the Audit and Procurement Committee

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title: Quarter Three Internal Audit Progress Report 2024-25

1. Context (or background)

1.1 This report is the second monitoring report for 2024-25, which is presented in order for the Audit and Procurement Committee to discharge its responsibility 'to consider summaries of specific internal audit reports as requested' and 'to consider reports dealing with the management and performance of internal audit'.

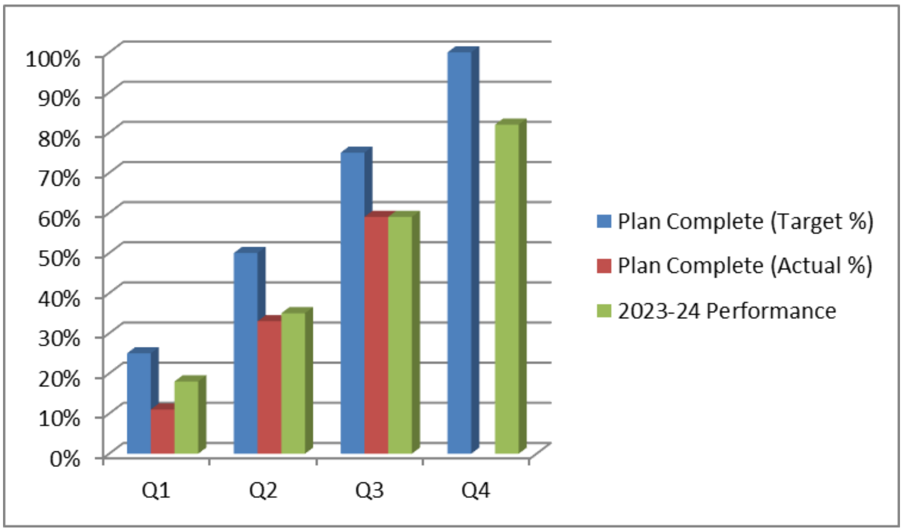
2. Options considered and recommended proposal

2.1 Delivering the Audit Plan

2.1.1 The Internal Audit Plan for 2024-25 was presented to the Audit and Procurement Committee at its meeting on 22nd July 2024. As the Plan is agreed at the start of the financial year, it may always be subject to change as a result of emerging risks, requests from service areas to reschedule work, and any exceptions. It is important that the Internal Audit Service retains a flexible approach in order to ensure it can respond to issues on a timely basis and add value. Any significant changes to the Plan are reported to the Audit and Procurement Committee. In 2024-25, the agreed Audit Plan originally included 25 days in respect of ICT and Digital Services. Further discussions on the two specific planned audits with Digital Services have resulted in agreement for this work to be undertaken in 2025-26. This reflects the timing of planned activity within Digital Services which needs to be included in the scope of the work to maximise the value of the audit process. As a result, the Audit Plan has been amended to 625 days (from 650 days), although this does not directly impact on resources within the Internal Audit Service as this work is undertaken by specialist IT Auditors.

2.1.2 The key target facing the Internal Audit Service is to complete 90% of its work plan by 31st March 2025. The chart below provides analysis of progress against planned work for the period April to December 2024 based on the revised audit plan of 625 days.

Chart One: Progress against delivery of Internal Audit Plan 2024-25



As at the end of December 2024, the Service has completed 59% of the Audit Plan against a benchmark of 75% (which reflects delivery of 100% of the Plan.) It is recognised that performance is below expectation, although the quarterly targets do not take account of the varying length of audits and as such performance will vary across the year. It is also apparent that performance has been impacted by vacancies within the Internal Audit structure. Whilst the Audit Plan for 2024-25 took account of this in terms of available audit days, draft reports are taking longer to turn round due to competing management demands. However, notwithstanding this, based on an assessment of performance as at February 2025, it is predicted that the Service will be close to meeting the target by the end of March 2025.

2.1.3 Taking into account the points at 2.1.1 and 2.1.2 above, it is the view of the Chief Internal Auditor that these issues will not, in any significant respects, impact on the ability to deliver the annual internal audit opinion.

2.2 Other Key Performance Indicators (KPIs)

In addition to the delivery of the Audit Plan, the Internal Audit Service has a number of other KPI's which underpin its delivery. The table below shows a summary of the performance for 2024-25 to date against these five KPIs, with comparative figures for the financial year 2023-24. There are three areas where performance is below expectations, although in two areas the current position shows an improvement from 2023-24. Whilst there are a number of reasons which can impact on performance, for example the audit area was more complex than originally envisaged and has taken longer to complete than the original time estimated, ongoing monitoring of internal audit work and identifying opportunities for improvement remains a key focus for management, in line with the Public Sector Internal Audit Standards.

Table One: Internal Audit Key Performance Indicators 2024-25

Performance Measure	Target	Performance Q3 2024/25	Performance 2023/24
Planned Days Delivered	100%	64%	88%
% of work time spent on audit work	90%	93%	92%
Draft Report to Deadline (Draft issued within two weeks of deadline)	80%	76%	64%

Final Report to Deadline (Final issued within two weeks of deadline)	80%	94%	92%
Audit Delivered within Budget Days (Where budget days have not been exceeded by more than 50%)	80%	75%	54%

The Public Sector Internal Audit Standards are based on the Global Internal Audit Standards. Following a review of the Global Standards by the Institute of Internal Auditors, a new set of standards for the UK public sector will come into force from 1st April 2025. As a result, the Internal Audit Service are developing a revised set of performance indicators which are aligned to the new standards. Further updates on this will be provided to the Audit and Procurement Committee in due course.

2.3 Audits Completed to Date

Attached at Appendix One to the report is a list of the audits finalised between April and December 2024, along with the level of assurance provided.

As at 31st December 2024, the following audits were in progress:

- **Audits at Draft Report Stage** – Group Governance Review, S17 Payments

- **Audits On-going** – Equality Impact Assessments, Implementation of new IT systems, Homelessness, Housing Benefits / Council Tax Support, Health Visitors Contract, Energy Billing, Management of Plant and Equipment, SEN Transport Entitlement, Formal Follow Up Pre-employment checks, Formal Follow Up Enabling Attendance, Formal Follow Up Transparency Code

Details of a selection of key reviews completed in this period are provided at Appendix Two to the report. In all cases, the relevant managers have agreed to address the issues raised in line with the timescales stated. These reviews will be followed up in due course and the outcomes reported to the Audit and Procurement Committee.

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 There is no implementation timetable as this is a monitoring report.

5. Comments from the Director of Finance and resources and the Director of Law and Governance

5.1 Financial Implications

There are no specific financial implications associated with this report. Internal audit work has clear and direct effects, through the recommendations made, to help improve value for money obtained, the probity and propriety of financial administration, and / or the management of operational risks.

5.2 Legal implications

Reporting on progress in regards to the delivery of the Annual Audit Plan, ensures that the Council meets its statutory obligations in respect of maintaining an internal audit function and represents good governance.

6. Other implications

6.1 How will this contribute to achievement of the One Coventry Plan?

(https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan)

Internal Auditing is defined in the Public Sector Internal Audit Standards as "an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes". As such the work of Internal Audit is directly linked to the Council's key objectives / priorities with specific focus agreed on an annual basis and reflected in the annual Internal Audit Plan.

6.2 How is risk being managed?

In terms of risk management, there are two focuses:

- Internal Audit perspective - The main risks facing the Service are that the planned programme of audits is not completed, and that the quality of audit reviews fails to meet customer expectations. Both these risks are managed through defined processes (i.e. planning and quality assurance) within the Service, with the outcomes included in reports to the Audit and Procurement Committee. Delays in the delivery of individual audits could occur at the request of the customer, which could impact on the delivery of the plan. This risk is managed through on-going communication with customers to agree timing and identify issues at any early stage to allow for remedial action to be taken.

- Wider Council perspective - The key risk is that actions agreed in audit reports to improve the control environment and assist the Council in achieving its objectives are not implemented. To mitigate this risk, a defined process exists within the Service to gain assurance that all actions agreed have been implemented on a timely basis. Such assurance is reflected in reports to the Audit and Procurement Committee. Where progress has not been made, further action is agreed and overseen by the Audit and Procurement Committee to ensure action is taken.

6.3 **What is the impact on the organisation?**

None

6.4 **Equalities / EIA**

None

6.5 **Implications for (or impact on) Climate Change and the environment**

No impact

6.6 **Implications for partner organisations?**

None

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Tina Pinks	Finance Manager Corporate Finance	Finance and Resources	26/2/2025	28/2/2025
Names of approvers: (officers and members)				
Barry Hastie	Director of Finance and Resources (Section 151 Officer)	-	26/2/2025	27/2/2025
Councillor G Duggins	Cabinet Member for Policy and Leadership	-	26/2/2025	4/3/2025
Councillor R Lakha	Chair of Audit and Procurement Committee	-	26/2/2025	26/2/2025

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Appendix One – Audit Reviews Completed between April and December 2024

Audit Area	Audit Title	Assurance	Previous Assurance level (if applicable)
2023-24 B/Fwd	Care Director 23-24 Formal Follow Up	Reasonable	Limited
	IT Asset Management – Leavers	Significant	n/a
	Cyber Security	Reasonable	Limited
	Business Rates 23-24	Limited	Reasonable
	Council Tax Arrears	Significant	n/a
	Register Office	Significant	n/a
	Care Director post upgrade assurance	Verification	n/a
	Housing Benefits Subsidy	Reasonable	n/a
Corporate Risk	New working arrangements in Waste Services	Reasonable	n/a
Council / Audit Priorities	Broadgate House Payment Kiosks	Reasonable	n/a
	Emergency Planning / Business Continuity	Reasonable	n/a
Regularity	SHDF 2 grant	Verification	n/a
	Family Hubs and Start for Life grant	Verification	n/a
	Turnaround Programme grant	Verification	n/a
	Highways grants	Verification	n/a
	Homelessness grants	Verification	n/a
	Annual Governance Statement	Reasonable	Reasonable
	Teachers Pension Statements	Verification	n/a
	Disabled Facility Grant	Verification	n/a
	Green Traffic Grant	Verification	n/a
	COMF Grant	Verification	n/a
	Broad Heath Primary School	Limited	Reasonable
	Earlsdon Primary School	Reasonable	Reasonable
	Bus Subsidy grant	Verification	n/a
	Longford Park Primary School	Reasonable	Reasonable
	Ernesford Grange Primary School	Reasonable	Reasonable
	Henley Green Primary School	Reasonable	Reasonable
	Howes Primary School	Reasonable	Reasonable
	Sowe Valley Primary School	Reasonable	Reasonable
	Stivichall Primary School	Reasonable	Reasonable
	Willenhall Primary School	Significant	Reasonable
Directorate issues	EDT Pay Arrangements	Limited	n/a
	Disabled Facility Grant	Fact Finding	Reasonable
Follow ups	Resourcelink self-service Delegated Authority	Significant	Limited
	IR35	Reasonable	Limited
	IR35 in Schools	Limited	None

Appendix Two – Summary Findings from Key Audit Reports Completed between April and December 2024

<table>
<tr><th>Audit Review / Actions Due / Responsible Officer(s)</th><th>Key Findings</th></tr>
<tr><td>Formal Follow Up – IR35 in Schools

February 2025

Payroll Operations Manager

A summary of progress made against the agreed actions is shown below:

<table><tr><td>Number of Actions</td><td>5</td></tr><tr><td>Implemented</td><td>3</td></tr><tr><td>No Progress</td><td>0</td></tr><tr><td>On-going</td><td>2</td></tr></table></td><td>Overall Objective: To provide assurance that agreed actions have been implemented as planned and local authority-maintained schools are now complying with IR35 rules.

Recommendations followed up:

- Re-write the guidance for Schools on off-payroll working / IR35 to provide more basic, simple and relatable instructions which include School specific examples.
- Republish and relaunch the guidance to Schools. This should include an appropriate training offer.
- Take further action to raise awareness with Schools around off-payroll working / IR35 on a periodic basis.
- Ensure that appropriate action is taken in relation to the case highlighted where deductions should have been made.
- Develop a central log of CEST checks which are received from Schools which is used to ensure that appropriate action is taken on a timely basis.

Opinion: Limited Assurance

We recognise the efforts that Payroll have made to date to address the issues highlighted in the previous review. However, our opinion reflects that the testing undertaken has highlighted that arrangements need to become more fully embedded before greater assurance can be provided that Schools are consistently complying with IR35 rules.

Agreed Actions - risk level high (H) or medium (M):

• Take action to re-phrase the Payroll Questionnaire for Schools so that it is clearer what they are being asked to respond to. (M)
• Ensure that the training session for Schools is delivered as planned. This should include recording the session and making it available to Schools to access and re-view. (M)</td></tr>
</table>

Audit Review / Actions Due / Responsible Officer(s)	Key Findings
	• Ensure the central log of CEST checks is further developed. (H) • Ensure that in cases of Personal Service Companies, a Status Determination Statement is sent to the School to issue. (H)

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Coventry City Council

Public report

Audit and Procurement Committee 17th March 2025

Name of Cabinet Member:
Cabinet Member for Policy and Leadership – Councillor G Duggins

Director Approving Submission of the report:
Director of Finance and Resources (Section 151 Officer)

Ward(s) affected:
City-wide

Title:
Corporate Risk

Is this a key decision?
No

Executive Summary:

The purpose of this report is to provide the Audit and Procurement Committee with the outcome of the latest review of the Corporate Risk Register 2025-26 in Appendix 1 to the report. By having arrangements in place to identify and manage our risks, we increase our chances of achieving corporate and operational objectives and reduce the chance of failure. Good risk management also increases our ability to cope with developing and uncertain events.

Recommendations:

The Audit and Procurement Committee are requested to:

1) Note the current Corporate Risk Register, indicating that they have satisfied themselves that corporate risks are being identified and managed.

2) Identify any areas where they require additional information (if any).

3) Approve the bringing of a further risk management report to the Audit and Procurement Committee in September 2025.

List of Appendices included:

Appendix 1 – Corporate Risk Register

Background papers:

None

Other useful documents:

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

Report title: Corporate Risk

1. Context (or background)

1.1 The Audit and Procurement Committee's Terms of Reference requires the Committee to monitor the effective development and operation of risk management within the Council. It was agreed on 18 March 2024 that the Audit and Procurement Committee would receive the Corporate Risk Register twice a year in line with the Grant Thornton value for money report.

1.2 The Corporate Risk Register should identify the risks that threaten the successful implementation of the One Coventry Plan.

1.3 This report provides the Audit and Procurement Committee with the outcome of the review of the Corporate Risk Register 2025-26, which was received by Leadership Board on 18 February 2025 and, subsequently, the addition of one new risk.

2. Options considered and recommended proposal

2.1 The Corporate Risk Register at Appendix 1 to the report has been reviewed in consultation with the Leadership Board and the allocated Risk Owner. It identifies the main risks facing the Council, the impact of the risk, the inherent risk score before risk mitigation, the risk mitigations, the risk score after the mitigations are applied and where responsibility lies for the Council's response. The final column identifies what the risk score was when the Committee last received a report in September 2024.

2.2 The Corporate Risks and the control measures in place to address them are more fully described in Appendix 1 to the report. Audit and Procurement Committee are asked to review the register and satisfy themselves that the process is operating effectively within the Council as required under the Risk Management Policy.

2.3 There are some changes to the Corporate Risk Register from the previous report to Members.

Risks added in this review:

Risk 40 - Mainstream Education Sufficiency.

This is an ongoing risk which has been added to the Risk Register to highlight its potential to become a bigger issue. This is also reflected in its inherent risk score of 15 (whilst its residual risk score remains 9).

A growing child and young person population is impacting on our ability to meet statutory duty to ensure there is sufficiency of school places for children and young people living in Coventry. Whilst additional places were implemented into the Secondary Sector since 2018 to respond to a birth rate population bulge moving through the system, a significant increase in in-year admissions (21/22, 22/23 and 23/24 academic years) has impacted on sufficiency of places across the mainstream sector and is also impacting on co-ordinated admissions (Year 6/7). In addition to this recent government changes announced in relation to VAT on private school fees could result in pupil movement from the private sector to the state sector.

Inability to meet our sufficiency duty is a corporate risk, that could result in legal challenge, challenge from DfE and ministers, and ultimately impact on decisions re: use of capital resource. We consider that this risk should remain on the Risk Register at least until we have the capital allocations and an update on in-year sufficiency position.

Risks removed:

Risk 28 – A deterioration in industrial/employee relations affects the Council's ability to deliver vital services.

Leadership Board felt that this could now be managed at directorate level; this was confirmed by Director of People Services.

Risk 29 – The continued implementation of the Elections Act.

Following the delivery of the general election this risk has been removed.

Risk 31 – A Council that makes thoughtful, well researched and robust business cases backed commercial investments to derive additional sustainable income streams to the Council, so that it has additional funds to provide services to residents, deliver policy priorities, and achieve its One Coventry Plan through being more financially robust.

Leadership Board agreed that this is no longer a corporate risk and has moved to business as usual.

Risks where the residual risk score has decreased:

Risk 22 - Children's Services workforce stability.

The residual risk score reduced from 20 to 16 with inherent risk score remaining at 25.

Risks where the residual risk score has increased:

There are no risks where the residual score has increased.

Risks where the inherent risk score has changed but the residual risk score remains the same.

There are no existing risks where the inherent risk score has changed but the residual risk score remained the same.

2.4 It is proposed that the Corporate Risk Register be reviewed by the Audit and Procurement Committee next in September 2025.

3. Results of consultation undertaken

None.

4. Timetable for implementing this decision

There is no implementation timetable as this is a monitoring report.

5. Comments from the Director of Finance and Resources (Section 151 Officer) and the Director of Law and Governance

5.1 Financial implications

There are no financial implications directly associated with the Corporate Risk Register although the management of the risks is essential to the operation of the Council, the pursuit of its priorities and its financial integrity.

5.2 Legal implications

The maintenance and review of the Corporate Risk Register ensures that the Council meets it statutory obligation under the Accounts and Audit Regulations 2015 to have appropriate measures in place to ensure that risk is appropriately managed.

6. Other implications

6.1 How will this contribute to achievement of the One Coventry Plan? (https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan)

Effective risk management arrangements are an integral component of strategic decision making, service planning and delivery and increasing the likelihood of achieving corporate priorities.

6.2 How is risk being managed?

The Council has a policy to support risk management arrangements across the organisation as part of its overarching governance processes. This report forms part of that practice.

6.3 What is the impact on the organisation?

Effective risk management arrangements are part of the good governance arrangements which lead to improved decision making and operational practices across the organisation.

6.4 Equalities / EIA

None

6.5 **Implications for (or impact on) climate change and the environment**

The Corporate Risk Register outlines the risk as the Council tackles the causes and consequences of climate change and promotes sustainability.

6.6 **Implications for partner organisations?**

None

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Interim Insurance and Risk Manager

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Peter Fahy	Director of Adults and Housing	-	26/02/25	04/03/25
Sukriti Sen	Director of Children's and Education	-	26/02/25	26/02/25
Paul Ward	Director of Digital Services	-	26/02/25	28/02/25
Andy Williams	Director of Regeneration and Economy	-	26/02/25	04/03/25
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Barry Hastie	Director of Finance and Resources (Section 151 Officer)	-	26/02/25	05/03/25
Councillor G Duggins	Cabinet Member for Policy and Leadership	-	26/02/25	04/03/25
Councillor R Lakha	Chair of Audit and Procurement Committee	-	26/02/25	27/02/25

This report is published on the council's website: www.coventry.gov.uk/council-meetings

APPENDIX 1

Corporate Risk Register – 18 February 2025							
Date last reviewed by Audit and Procurement Committee – September 2024							

Risk Scores

Likelihood is scored on a scale of 1 to 5 with 5 being high. For a description of likelihood scores refer to Section 4, Risk Management Methodology, of the Risk Management Policy. https://www.coventry.gov.uk/strategies-plans-policies/risk-management-policy/4

Impact is scored on a scale of 1 to 5 with 5 being high. For a description of impact scores refer to Section 4, Risk Management Methodology, of the Risk Management Policy.

To calculate the total score, multiply the likelihood score by the impact score and arrive at a total score. This is done twice, firstly to calculate an inherent risk score and secondly a residual risk score, after risk mitigations are applied.

A risk scoring above 15 is red, those between 6 to 14 are amber and those between 1 to 5 are green.

One Coventry Enabler: Continued financial sustainability of the Council

Service Area: Finance

No	Risk description	Impact	Inherent risk score	Measures to mitigate risk	Residual risk score	Risk owner	Previous score June 2024
1	**Inability to deliver a balanced budget in the short and medium term.** There is a risk that the Council will not be able to achieve its priorities whilst at the same time balancing its budget. This is because of a combination of increased pressure on all sources of funding, increased	With stretched resources it becomes harder to meet the complex needs of vulnerable people, address inequalities and work towards climate change commitments. Difficult decisions about resource allocation will be	Likelihood Score 5 Impact Score 5 Total Score	A rigorous structure exists to oversee budgetary processes. In addition to the Council's forecast-financial outturn position for 2024-2025, although the Council has delivered a balanced budget for 2025/26there are projected gaps in future years. Work to monitor the implementation and delivery of the budgetary savings identified in the 2024-2025 budget setting report continues and is	Likelihood Score 3 Impact Score 5 Total Score	Director of Finance and Resources	Likelihood Score 3 Impact Score 5 Total Score

APPENDIX 1

	demand, and complexity in services, including in Adults, Children's and Housing services, the continued heightened impact of inflationary pressures across many areas of the budget and the overspend forecasted at quarter 3 of the 2024-2024 budgetary control process. During the 2025-2026 budget setting process, this resulted in difficult decisions being made by Members about which services to support, with consequences for residents and the city. Further action will be required to deliver an ongoing balanced budget in future years.	required from Members and senior officers. Continued short-term announcements and increased volatility of funding make it difficult to obtain value for money, plan, consult and report within required timeframes.	25	monitored by the Leadership Board and Change Board using the savings tracker. Specific programmes are in place to identify commercial opportunities and optimise service delivery models to produce a medium-term programme of transformation and ensure future financial sustainability. This approach improves the Council's ability to find significant savings and mitigate a significant proportion of the pressure in the medium-term. The Council's aim is to implement medium-term planning, which is not over-reliant on reserve contributions, making budgeting decisions that recognise fundamental pressures in the financial position and maintaining reserve balances at a level that is sufficient to manage budget risks. However, despite all the difficult decisions and positive action taken to deliver a balanced budget for 2025-2026, it is expected the Council will still require the use of reserves to balance the 2024-2025 outturn position, and budget gaps remain for financial years 2026-2027 and 2027-2028. Similar pressures have been reported across the local government sector,	15		15

				and action was, and will continue to be taken as opportunities arise, to lobby the Government directly and through organisations such as SIGOMA, ALATS and the LGA to highlight the Council's (and the sector's) financial position. This has resulted in the new Government Funding Reform, which it is anticipated could be implemented in the 2026/27 Local Government Financial Settlement. Although this continues to provide medium term uncertainty, we are optimistic that the reform will recognise levels are need more proportionately and benefit the city going forward.			

APPENDIX 1

One Coventry Priorities and Enablers: ICT and Digital impacts the delivery of all priorities and enablers							
Service Area: Digital Services							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
3	**ICT & Digital services and their contribution to the delivery of One Coventry Priorities** If the programme of ongoing development and the implementation of the ICT and Digital Strategies are not successful, *including exploring and developing our approach to Artificial Intelligence,* this will mean that the organisation will be less able to implement and support new ways of working in line with the One Coventry Plan. This will result in the inefficient delivery or disruption to the delivery of vital services to residents and businesses meaning that the Council will have failed to deliver its One Coventry priorities.	If the programme of ongoing development and the implementation of the ICT & Digital strategies are not successful then the Council may fail to maximise service improvement leading to inefficient delivery of public services, impacting the overall performance of the Council against the One Coventry Plan. Supply chain challenges result in financial pressures and risks as suppliers increase their charges. Where suppliers withdraw products from the market this could represent a significant business risk depending on the notice period given and the time to find an alternative solution.	Likelihood Score 5 Impact Score 5 Total Score 25	The ICT & Digital Service produce an annual service plan which details the programmes and activities that are being undertaken to continue to provide high performing, stable and resilient infrastructure, technology, and systems to support the day-to-day operation of the organisation and delivery of the One Coventry Plan priorities. Progress against this plan is monitored throughout the year. The Council has an established governance, risk and compliance framework and approach which ensures that risk (including resilience) and compliance issues are actively identified, tracked, and remediated. Supply chain risks are also monitored through this with extra focus given to core/critical systems. The One Coventry Plan is supporting new ways of working. Part of this plan is driving forward capability by focussing on collaborating with residents, Members, and the workforce to optimise the benefits, effectiveness, and efficiencies that digital provides.	Likelihood Score 4 Impact Score 3 Total Score 12	Director of Digital Services	Likelihood Score 4 Impact Score 3 Total Score 12

	Increasingly ICT & Digital supply chains present a risk. A number of suppliers across systems, infrastructure and services are either struggling in the current economic climate or altering their business models to be able to adapt to the challenging trading conditions. This has meant increasing costs to the Council and in some cases solutions that are used being scheduled to be withdrawn from the market, meaning that the Council needs to find replacements.	Individual Services areas are responsible for Business continuity and disaster recovery planning. Including how they could operate without access to IT or Digital capabilities. The robustness the plans will have impact on the organisation and Digital services' effectiveness to manage and recover.		Individual service areas are supported by CSW Resilience in the development and reviewing effectiveness of business continuity and disaster recovery planning for their services. Digital services will advise where necessary or when asked.			

APPENDIX 1

One Coventry Enabler: Council's role as a partner, enabler, and leader							
Service Area: Human Resources							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
5	**A workforce that delivers the Council's priorities** If the Council does not deliver its Human Resources strategies, key workforce and organisational development objectives will not be met, and the Council will not have a responsive workforce, resulting in it being unable to deliver its One Coventry Plan priorities	The Council will be less able to achieve the successful implementation of the One Coventry Plan and Medium-Term Financial Strategy priorities. The Council will be less able to deliver positive differences to the lives of residents by improving quality of access to services. Employment opportunities to people of different backgrounds will not be fair and the workforce will not be representative of the city. Harassment and discrimination will not be challenged and there will not be a	Likelihood Score 4 Impact Score 3 Total Score 12	The People Plan focuses on organisational development, pay, reward and recognition, workforce planning, information management, support, and sustainability. One Coventry values are embedded into the recruitment and appraisal processes and form the cornerstone of the recognition scheme. Work with Public Health and Trades Unions, on health and well-being, uses evidence including feedback from staff to develop appropriate responses and actions to support a healthier workforce. Stress, anxiety, and depression are the leading reasons for absence. Support for mental health has been introduced, including Mental Health Clinics, Well-Being Wednesdays, additional training etc. A podiatry clinic and Musculoskeletal support is also in place and well-being kiosks will be introduced in key locations. Work to secure a Silver	Likelihood Score 3 Impact Score 2 Total Score 6	Director of People	Likelihood Score 3 Impact Score 2 Total Score 6

		culture of respect for differences. The Council might not be legally compliant in payroll, and employment processes, such as right to work, and this would place the organisation at reputational and financial risk. Failure to produce relevant learning and development opportunities and/or qualifications which enable professional and personal development and improve service delivery. Competitive market due to the cost-of-living crisis and challenges around public sector pay versus private sector.		Thrive accreditation is near completion. The sickness process – Enabling Attendance at Work has been reviewed post its introduction 2 years ago particularly as absence has increased. Audit have made a number of recommendations to improve the process and consistency. The organisational Diversity and Inclusion action plan has been revised with the new plan operating from 2025/8 and details more robust actions to increase inclusivity including practical changes to processes such as recruitment. The introduction of diverse recruitment panels is making a change, and it is hoped will continue to increase numbers from diverse candidates. Organisational values and behaviours have been re-launched to increase productivity and recognition, The Spire Awards and Cheers from Peers continue to thrive. A supportive learning culture continues to be developed through Coaching Culture, Mentorship Schemes, management			

				developments and apprenticeships. Apprenticeships have expanded through the Multiverse offer. The Council has developed a talented development offer and a toolkit for effective succession and workforce planning. Leadership and management capability is being strengthened including a senior leadership development programme which will be in place for approx. 18months. The Council has developed better and greater use of social media and has a positive rating on ‘Glass Door’. We regularly review the benefits package we offer employees and have recently added financial well-being, this all contributes towards improving the wider employment offer. The Council has a Market Supplement Policy and has access to market data, so we can respond to external challenges where possible.			

APPENDIX 1

One Coventry Priority: Improving outcomes and tackling inequalities within our communities							
Service Area: Adult Social Care							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
6	**Supporting people who may require services from Adult Social Care to remain safe.** There is growing demand for care and support from an aging population and working age adults living with complex long-term conditions, while resources of staff and budget are coming under more pressure. This has led to increases in the number of people requiring support across a range of service areas, including assessment, annual reviews, Deprivation of Liberty Safeguards authorisations and Disabled Facilities Grants with the result that there is greater risk of vulnerable people suffering worsening	A greater risk that the Council may fail to adequately discharge its statutory safeguarding duties and other duties under the Care Act, Mental Health Act and Mental Capacity Act, although these acts do not specify timescales for response and resolution of issues. Vulnerable adults do not have the care and support that they need, from the point they need it, so that they can lead full and independent lives in the community. People are left in risky situations as they wait for social care interventions. This is more an issue for people in receipt of	Likelihood Score 3 Impact Score 5 Total Score 15	Requests for services are triaged with urgent cases prioritised. Decisions are made on the information that presents. Outstanding cases where further work is required are monitored and there is liaison between Service Managers and Team Leaders to agree priorities. Staff resource in place to make regular contact with people waiting for assessment or other intervention and use this information to prioritise. Safeguarding referrals are prioritised to ensure that issues of abuse or neglect are dealt with promptly but some S42 enquiries may not be allocated immediately, but this is based on risk. The recruitment of staff is slowly having a positive impact. However, a number are newly qualified with lower caseloads, less experience and require greater supervision. The Council therefore has a greater proportion of newly qualified staff	Likelihood Score 3 Impact Score 4 Total Score 12	Director of Adult Services and Housing Head of Social Care and Support	Likelihood Score 3 Impact Score 4 Total Score 12

	physical and mental health due to the Council's capacity to respond in a timely manner to this demand.	care and support who may be experiencing a change in circumstances because the Council is comparatively quick to respond to people not previously known to it. Vulnerable adults may deteriorate, becoming mentally or physically unwell, lose confidence, fall, or suffer unreported or concealed abuse or neglect. Opportunities for prevention are missed, as are opportunities to work with people over a longer period to improve outcomes. As a result, intervention may become more complex and costly as needs escalate. There is increased pressure on unpaid family carers.		requiring a higher level of management oversight. The Coventry Adult Safeguarding Board has a workforce strategy, training plan and quality assurance scheme for training. Audits of safeguarding activity to ensure thresholds are being appropriately applied. Application of a consistent approach to risk management, which has been recently reviewed, and prioritisation across the service. Support offered to existing staff to ensure that the workforce is resilient. To support effective management of resources the Council will focus more on personal budgets when care is reviewed, or new support packages commence.			

		Staff including managers experience work related stress and increased sickness. Some choose to leave the sector. The reputation of the Council is reduced because they have failed to assess, safeguard, or protect within the timescales that residents may expect.					

APPENDIX 1

One Coventry Priority: Improving outcomes and tackling inequalities within our communities							
Service Area: Children and Education Services							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
7	**Childrens Services statutory safeguarding responsibilities** If the Council and its partners fail to discharge their statutory safeguarding responsibilities and regulatory obligations, including the management and oversight of caseloads, then a child or young person may experience abuse or neglect leading to significant harm or death.	Risk of children and young people suffering significant harm or death. Children will suffer worse physical and emotional health and wellbeing, leaving them less able to lead happy and fulfilling lives. Potential for complaints and litigation. Children's circumstances and outcomes will not improve, they will not reach their potential and be less able to be independent in adult life. The reputation of the Council and its	Likelihood Score 5 Impact Score 5 Total Score 25	Implementing learning and action plans from Safeguarding Practice Reviews. For every review undertaken and each subgroup, the Boards have a work plan and tracker to include assurance of the recommendations as they are completed. Re-invigoration of quality assurance framework and performance management around social work cases in all teams within Children's Services. Ensure Early Help services are effective and the provision of an improved response to need. Deliver purposeful interventions to reduce the likelihood of children escalating into statutory services. Deliver a 'Good' quality Children's Services so that there is identification and early assessment of those children who need immediate	Likelihood Score 4 Impact Score 5 Total Score 20	Director of Children and Education Services Sukriti Sen Neil Macdonald Chris Heeley Matt Clayton Angela Whitrick	Likelihood Score 4 Impact Score 5 Total Score 20

		statutory partners is reduced because they have failed to safeguard or protect.		protection. Identification of risks and actions taken to protect them are appropriate and effective. Assessment and planning are strengthened using a risk management model to support child-focused practice. Awareness raising for all Council employees of signs and indictors of risk to children and young people. To ensure that the impact of any proposed changes in service delivery specifically consider the risk in relation to safeguarding. Ensuring an effective system is in place to report on children who are missing, provide statutory missing from home interviews and other interventions to reduce further missing incidents. Effective plans are in place to manage the increase in demand and the increase in complexity of caseloads. There are clear and accessible policies (including supervision), procedures, and practice standards in place alongside learning and development opportunities that support effective practice and decision making across the Children's Services workforce.			

One Coventry Priority: Improving outcomes and tackling inequalities within our communities							
Service Area: Housing and homelessness							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
19	**An increase in families in temporary accommodation and street homelessness** As people continue to be challenged by the cost of living, residents will struggle to meet housing costs and there is a risk that there will be an increase in homelessness affecting families and single people across all groups, with an increase in the number of people living in temporary accommodation and rough sleepers. A significant increase was realised in 2023 which continued in early-mid 2024. Since September 2024 overall numbers have plateaued however are stll very high.	The number of households approaching as homeless and those placed into temporary accommodation increased significantly in 2023 with increases continuing throughout early to mid-2024. Increased numbers of families in temporary accommodation and an increase in street homelessness will have a detrimental impact on the well-being of residents. Levels of deprivation and inequality in the city will increase which will impact on the Councils ability to deliver its One Coventry priority.	Likelihood Score 5 Impact Score 4 Total Score 20	Additional funding for rough sleeping and homelessness has been provided by the Ministry of Housing and Communities & Local Government. Funding for additional accommodation for rough sleepers has been secured for an 18-bed unit. Refurbishment is nearly completed for a further two temporary accommodation units for single homeless people with a total of 53 bedspaces. Maximising the internal and external support of partners to help people to remain in accommodation. 55large family houses have been purchased for temporary accommodation with a further 11 going through conveyancing and a further 8 to be purchased. A number of management actions have been implemented that has resulted in	Likelihood Score 5 Impact Score 3 Total Score 15	Director of Adults and Housing	Likelihood Score 5 Impact Score 3 Total Score 15

	Allied to this there is a limited volume of social housing, particularly family housing and with private sector rents remaining high this means that people may remain in temporary accommodation for, in some cases, several years.	The Council may fail in its housing duties. Businesses may struggle to grow if employees cannot find the right housing. The reputation of the city as a great place to live and work will suffer. An increased financial burden on the Council.		cost reductions and a reduction in TA numbers over the last 5 years. The Council works with Registered Providers and other organisations and landlords in the city to ensure that there are appropriate levels of accommodation built in the city to meet the needs of residents. The private rented sector is currently extremely buoyant and therefore securing properties for homeless households has continued to be very difficult. The Council has procured a number of family sized houses for temporary accommodation through contractual arrangements. The Council is working with a Registered Provider in the city to deliver circa 50 flats for homeless families as temporary accommodation to be delivered in summer 2025.			

APPENDIX 1

One Coventry Priority: Increasing the economic prosperity of the city and region							
Service Area: Regeneration & Economy							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
21	**Business growth and investment** If the Council does not support business to innovate and grow and is unsuccessful in securing inward investment, the city's economic prosperity will continue to lag comparable areas as it competes against the background of stagnant economic performance which is forecast to persist during 2024. Underlying challenges are the prevailing high cost of doing business, despite inflation falling (notably in energy and costs of goods and services), labour shortages driving up wages, the cost-of-living crisis (which weakens demand), and ongoing higher interest rates,	The city will not have a sustainable, growing, and prosperous economy and the Council will fail to deliver its One Coventry priority. The city will not be modern and vibrant and fewer people will choose to visit. New businesses will not be attracted to the city including those at the forefront of technology, and in growth sectors. Downsizing or closure of businesses, particularly as government has reduced spending on the overall Coventry & Warwickshire business support ecosystem after European Regional Development	Likelihood Score 3 Impact Score 3 Total Score 9	The Council invests in the city including major schemes such as the A46 Link Road, Coventry Station, Whitley South infrastructure, Very Light Rail, City Centre South, Two Friargate, Hotel Indigo, Cultural Gateway, secondary schools' expansion, and completion and roll-out of the UK Battery Industrialisation Centre. The WM Gigafactory has outline planning permission which has the potential to raise £2bn of investment. Discussions are ongoing with investors (some are at advanced stages) and Government to accelerate the project. The WM Gigapark is also confirmed as a tax incentive and Business Rate retention site in the WMCA Investment Zone, which should help to improve the attractiveness of the area to invest in both production and research and development activities in future mobility, batteries, and associated supply chains. The Council continues to work with WMCA to ensure that the supply chain, innovation/research and development	Likelihood Score 2 Impact Score 2 Total Score 4	Director of Regeneration and Economy	Likelihood Score 2 Impact Score 2 Total Score 4

	which raises the cost of borrowing. Despite full expensing now being made permanent, these are constraining business investment levels. The challenging international trade environment and higher administration requirements for exporters and importers post Brexit is also constraining the growth and competitiveness of those businesses with products and services that can be traded internationally.	Fund funding ended in June 2023. The replacement fund (UKSPF) is 43% smaller in size and the availability of innovation support is significantly reduced. Many small businesses are still repaying COVID loans and are tackling challenges with higher interest rates. This continues to restrict their ability to generate sufficient revenue and profit. Redundancies could result in increases in unemployment. This will put pressure on welfare systems. Lack of growth in the economy also reduces availability of opportunities to get the economically inactive back into the labour market. The desire of businesses to recruit		and skills development interventions to be delivered through the Investment Zone funding are targeted and focused to accelerate growth of the region's low emission vehicles and battery supply chain. The Council will work with regional partners to ensure that some of the £4.5bn that the government has announced to support the development of advanced manufacturing nationally is directed at further projects that will help accelerate more development of the region's future mobility and battery supply chains. Collaboration with local business support partners (fronted by CW Growth Hub) to develop an evidence base and lobby WMCA and subsequently Government on local business needs, and to shape future interventions and secure the necessary public funds from future funding settlements, especially beyond March 2025 (when current funding expires). The new Business Growth WM in Coventry offer, through the UK Shared Prosperity Fund, fronted by the Council (with CW Growth Hub and CW Chamber and CW CDA - procured specialist partners) has seen strong demand since its launch in September 2023 with the Council exceeding its Business Assist target for 2023/24.			

		new staff has fallen in recent months. Levels of poverty and deprivation stay the same or get worse and inequality will increase, including health inequality. A decrease in residents health and well-being. An increase in demand for Council services combined with a reduction in resources available to it, through a decrease in business rates and the tax base.		The Council will continue to market the support offer extensively. This is supporting businesses (through non-financial support and grants) with barriers to growth and innovation, with specialist support services in decarbonisation and investment readiness (all up to March 2025). The service will also signpost businesses to other regional and national business support products (e.g. Help to Grow, British Business Bank, WM Co-investment Fund and upcoming WM Supply Chain, High Growth and Exporting programmes). Referral of businesses to specialist international trade support, including DIT's Export Academy plus wider financial support and workshops/1:1 support. Inward Investment Service and the Council's partnership work with WM Growth Company in accessing major international investment and trade opportunities, particularly from growth sectors such as advanced manufacturing (including low emission vehicles and batteries), creative industries and professional services.			

				The Council's Employer Hub will continue to match Coventry residents with vacancies in businesses, so recruitment needs are tackled. Support for hosting major events and conferences in the city that bring both short-term and longer-term benefits to businesses, including ensuring that the Council builds strong economic and social legacies from UK City of Culture 2021 and the 2022 Commonwealth Games. This includes capitalising on the £127m of media coverage and increased profile of the city, as well as building on 2022 as a record year for tourist numbers and spend in Coventry.			

APPENDIX 1

One Coventry Priority: Improving outcomes and tackling inequalities within our communities							
Service Area: Children and Education Services							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
22	**Childrens Services workforce stability** If Children's Services fails to retain and develop its workforce to reflect the way it needs to operate, this might result in staff, particularly social workers, leaving the Council with the result that the service provided to children and young people and their families will deteriorate.	A deterioration in service to children, young people, and their families. Harm, and risk of harm to children and young people may be missed. Less continuity of social worker on cases impacting upon the understanding of children's circumstances. A need to recruit expensive agency social workers to meet statutory requirements and demand. A higher proportion of less experienced newly qualified social workers who require greater supervision, with reduced experience in the service to coach,	Likelihood Score 5 Impact Score 5 Total Score 25	Resource planning for workforce needs now and in the future. Supporting the workforce by refreshing the Council's employee engagement and ensuring employment practices are fit for purpose. Ensuring the workforce has the tools to work smart and efficiently. Have in place an effective leadership and management development strategy (programme) and a pay and reward framework that is fit for purpose. Recruitment and retention strategies are in place to recruit and retain experienced social workers through a range of social media platforms, recruitment campaigns, and recruitment open evenings. A retention payment for Social Workers/ Senior Practitioners implemented and paid in March 2024. Leaver data has indicated that the retention payments have made a positive impact on	Likelihood Score 4 Impact Score 4 Total Score 16	Director of Children And Education Services Sukriti Sen Neil Macdonald Sonia Watson Richard Hamblett Chris Heeley Matt Clayton Angela	Likelihood Score 4 Impact Score 5 Total Score 20

		develop and grow social workers in the early stages of their career.		retention rates, with a reduction in social workers leaving the service in 2023/24 compared to the previous year. A new risk was highlighted in April 2024, with a Neighbouring Local Authority launching a 2 year – 7k retention payment for experienced social workers. The retention of experienced social workers (grade 8) have no replacement offer posing a risk for Coventry if experienced social workers leave. To mitigate the risk, a further retention payment for Grade 8 Advanced Social Workers(ASW) and Senior Practitioners(SP) was agreed with effect from 1 April 2024 to be paid to ASW and SP's who remain in post until March 2025. An Advanced Social Worker Progression Panel Grade 7 -Grade 8 pathway implemented on 1 April 2024. This is the exit strategy for replacing the retention payment for Grade 7 social workers. Three panels are held each year. A review of Grade 6- Grade 7 ASYE progression pathway has been completed to progress practitioners who are able to demonstrate competencies earlier to prevent newly			

				qualified social workers leaving within first two years – this was implemented 1 September 2024. The above actions are helping to minimise the number of vacancies and stabilise a permanent workforce. The second Social Work Academy Team continues to significantly contribute to building short and medium-term workforce stability in the social worker roles. Regular monitoring and review of agency social workers takes place to identify reasons for cover matched against service needs, providing robust challenge where necessary.			

APPENDIX 1

One Coventry Priority: Tackling the causes and consequences of climate change							
Service Area: Climate Change and Sustainability							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
24	**Tackling the causes and consequences of climate change and promoting sustainability** If the Council does not have a relentless focus on sustainability and tackling the causes of climate change and mitigating its consequences, then the residents of Coventry and the environment will suffer harmful impacts. These will be detrimental to residents' health and wellbeing as well as to biodiversity.	Carbon emissions will not reduce in line with mandatory targets. An adverse impact on biodiversity. Reduced health and wellbeing for the population and greater health inequalities e.g., worse air quality impacting respiratory health, and heat stress related health incidents. Fuel and food poverty. Increasing energy costs which are exacerbated through energy inefficient homes below EPC C (currently 110,000 homes in the city). Increased costs to business, for energy, fuel, and waste	Likelihood Score 5 Impact Score 5 Total Score 25	Development of the climate change strategy and action plan, measured by performance indicators to track progress. The mobilisation of an independent Coventry Climate Change Board with five recently established Pathway Groups will address the challenge of sustainability and climate change: • Low Carbon • Circular Economy • Nature Based (biodiversity) • Adaptation and Resilience • Fairer Green Futures The five Pathway Groups have independent chairs as outlined by the International Council for Local Environmental Initiatives Five Development Pathways which support the 17 United Nations development goals. Feeding into the Local Plan Review, strengthening the planning policy framework to deliver more sustainable future development.	Likelihood Score 3 Impact Score 4 Total Score 12	Director of Regeneration and Economy	Likelihood Score 3 Impact Score 4 Total Score 12

		management. This would have a detrimental impact on the local economy. An increase in floods and flood damage to infrastructure, homes, businesses, and the natural environment. The Council may fail to deliver its One Coventry priority.		Development, adoption and implementation of a Council wide adaptation and resilience plan. Improvements in energy efficiency and use of low carbon technologies. This will be led by the procurement and development of a fifteen-year Strategic Energy Partnership with E.ON, to increase the scale and pace of decarbonisation projects across the city. Investing in technologies to make the city a global market leader in clean and green transport, such as the development of Very Light Rail and drone technology. Roll out of All-Electric Bus City by 2025. Increased use of low carbon transport, active travel, and public transport. Reducing waste by supporting businesses, schools, communities, and the development of a circular economy. Promotion of the new Materials Recycling Facility to educate residents on domestic recycling and boost recycling rates.			

				Measures to improve air quality such as promoting modal shift and active travel, introducing more green space and infrastructure schemes. Sustainable urban drainage and green and blue initiatives to create more high quality and accessible green and blue infrastructure across the city. Protecting and developing existing and new biodiversity, including through Biodiversity Net Gain, and developing a Local Nature Recovery Strategy. Community engagement and campaigns to promote behaviour change. This has started with consultation on the draft Climate Change Strategy and a targeted engagement plan is being developed to deliver positive action working with communities and businesses across the city.			

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One Coventry Priority: Improving outcomes and tackling inequalities within our communities							
Service Area: Children and Education Services							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
25	**Education and the link to inequalities** If the Council does not meet its sufficiency duties, enabling children to take up their education entitlement, then there is a risk that their educational achievement will suffer resulting in young people who are less able to access positive destinations as they move to adulthood and lead fulfilling and healthy lives, leading to increasing inequalities.	Quality education is key to raising attainment and reducing inequalities and gaps in achievement for vulnerable pupils. An increase in the number of young people not in education, employment, and training. Greater deprivation as young people are unable to sustain a livelihood in the future. Inequalities will not reduce in line with the Council's One Coventry priorities.	Likelihood Score 4 Impact Score 4 Total Score 16	A joined up One Coventry approach (including locality prototypes) to enable families to access support as early as possible. Launch of Early Help Strategy 2023-2025 and close working arrangements between Schools, Education and Children's Services to understand how family support can impact positively on the lives of children and young people. Doing It together: Getting a Good Education workstream has representation from headteachers across the city and feeds into the Coventry Safeguarding Partnership. Co-ordination and facilitation of the Coventry Education Partnership including school improvement, school to school support, collaboration, to support quality education and whole school improvement.	Likelihood Score 2 Impact Score 3 Total Score 6	Director of Children and Education Services Sukriti Sen Racheal Sugars Jeannette Essex	Likelihood Score 2 Impact Score 3 Total Score 6

				Management of supply and demand of school places across Coventry to fulfil the local authority's statutory duty in providing sufficient school places. Review of the Fair Access Protocol to ensure that the Council can continue to allocate school places for unplaced children and young people. The introduction of schemes and funding for bulge classes across the city to respond to significant increases in in-year admissions. Management of education capital investment in school buildings. This includes the delivery of the One Strategic plan, including Secondary and Special School expansion, and capital expansion to support the delivery of bulge classes across the city. Life-pathway approach including effective commissioning of the service supporting people Not in Education, Employment or Training. Tracking for young people, after the age of 16, to ensure appropriate pathways are identified.			

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No	Risk description	Impact	Inherent risk score	Measures to mitigate risk	Residual risk score	Risk owner	Previous score June 2024
One Coventry Priority: Improving outcomes and tackling inequalities within our communities							
Service Area: Children and Education Services							
26	**Increases in demand for specialist school placements for children with an Education Health and Care Plan** Persistent year on year increases in demand for specialist school placements for children with an Education Health and Care Plan, is exceeding supply both locally and nationally. Consequently, the Council is becoming increasingly reliant on the independent sector to meet its statutory sufficiency duty. Alternative out of city placements, represent a significant unit cost increase in terms of both fees and travel.	Impact on the wellbeing and outcomes for children with special education needs in their childhood and on life chances into adulthood. Impact on the Council's budget, due to increase volume and unit costs, resulting in a potential in-year deficit of the High Needs Block and increased pressures on the home to school transport budget.	Likelihood Score 5 Impact Score 4 Total Score 20	Further specialist school placements will be commissioned locally, with a focus on delivering the planned expansion of Woodfield Special School on the Woodlands site in the medium term. The capacity of special schools for learning disability will be maximised in the short term, through a programme of capital expansion. A range of early intervention and alternative support pathways will reduce the demand for special school placements by offering high quality mainstream alternatives. This will include a series of enhanced resourced provisions (units) within mainstream schools. A co-produced workforce strategy will support the development of skills and expertise, enabling schools to further develop inclusive practice and increase capacity to meet a broader range of complex needs, underpinned by a training programme.	Likelihood Score 4 Impact Score 4 Total Score 16	Director of Children and Education Services Sukriti Sen Rachael Sugars Jeanette Essex	Likelihood Score 4 Impact Score 4 Total Score 16

APPENDIX 1

	The quality of external provision is lower than within City publicly funded schools and children achieve poorer outcomes.						

APPENDIX 1

One Coventry Priority: Improving outcomes and tackling inequalities within our communities							
Service Area: Public Health							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
27	**Reducing health inequalities** If the Council and its partners do not embrace the challenge of reducing health inequalities, then more deprived and vulnerable residents will continue to experience worse health outcomes leading to decreased quality of life, healthy life expectancy and life expectancy.	Residents will not lead healthy, happy, independent, economically active, productive, and fulfilled lives. Life expectancy rates that are below the English average. A failure to reduce the wide gap in life expectancy between the most affluent wards and the least well off. Residents from more deprived wards continue to have proportionately fewer years of healthy life. Domestic abuse, sexual violence, drug, and alcohol dependence might increase.	Likelihood Score 5 Impact Score 5 Total Score 25	A financial strategy which seeks to apply the Council's resources systematically to reduce inequalities and protects the ring-fenced public health grant. Systematically commission, employ, train, and procure in a way which proactively seeks to reduce inequality and the application of EIA and Scrutiny processes. Use a population health approach and population health management to identify and respond to need. A clear focus on the wider determinants of health • An Economic Prosperity approach which seeks to integrate the reduction of inequalities. • Improve the quality of jobs across the economy. • Work to reduce inequality in the education system, especially in the early years.	Likelihood Score 3 Impact Score 5 Total Score 15	Director of Public Health and Wellbeing	Likelihood Score 3 Impact Score 5 Total Score 15

				• Support the vulnerable, including the homeless, those with mental illnesses, refugees, and migrants. • Tackle violence. • Helping those on low incomes to access housing, heating, and insulation. Work with our partners within the Integrated Care System and voluntary and community groups to tackle healthcare inequalities. Apply at scale and intensity relating to the social gradient the prevention of ill health, maintenance of healthy lifestyles, and behaviours, empowering people to stay healthy and well and prevent limiting long-term health conditions. A greater focus on prevention rather than responding to social care needs and treating illness. Prioritise prevention as the first part of any clinical or care pathway. Having a collaborative approach with residents and communities (One Coventry) enabling and building leadership capacity within identified communities.			

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One Coventry Priorities: Improving outcomes and tackling inequalities within our communities							
Service Area: Cross-cutting							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
30	**Building community cohesion** As the Council promotes a strong and resilient inclusive economy that contributes to the prosperity of the whole city; and as it facilitates an improvement in outcomes for residents and a reduction in inequalities through a collaborative approach, then this will result in improved relationships between different communities, reducing any tensions between people from different backgrounds and identities and create an environment that positively impacts the wellbeing of residents.	Trust is built up as communities no longer live in fear and there is a shared sense of belonging. There is greater meaningful contact between people of diverse backgrounds. Children get the best start in life. There is greater quality of life for all. Crime will decrease including hate crime resulting in an increase in community safety. The reputation of the city improves which encourages investors. Refugee and migrant communities are adequately supported	Likelihood Score 3 Impact Score 4 Total Score 12	The One Coventry Plan gives priority to the Council's work as a civic leader in collaboration with residents, communities, and partners. The One Coventry Plan gives priority to improving outcomes, tackling inequalities, and promoting business growth by working with business, residents, partners, and education providers to ensure that all communities benefit from job opportunities created by investment in the city. The Council leads on the delivery of aspirational investments to promote the prosperity of the city. The Council collaborates with local business support partners and provides business support services and programmes. Collaborating with residents and communities, listening to their ideas, and coming together to find solutions to challenges faced, making a positive difference to their lives and	Likelihood Score 2 Impact Score 3 Total Score 6	Director of Partnerships and Performance	Likelihood Score 2 Impact Score 3 Total Score 6

		leading to cultural cohesion between groups, and better outcomes for individuals. The city's diversity and community wellbeing are enriched.		environment, such as cleaner neighbourhoods. Collaborating with partner organisations to improve the quality of the lives of residents, enabling them to live in the community wherever possible by investing in community support and building community capacity. The CSW Resilience Team plan for emergencies and contribute to the West Midlands Local Resilience Forum (LRF). The LRF brings together the Council, emergency services, NHS, and other partners to ensure that agencies across the West Midlands are prepared for emergencies. Tackling violence, including domestic abuse and sexual violence, particularly in areas of the city that suffer high levels of crime and deprivation. Supporting the most vulnerable – including people who are street homeless, experiencing mental ill-health and the integration of our refugee and migrant communities. The promotion of quality events at accessible prices to bring different			

				communities together in a positive environment. The Migration Team works closely with partners to provide key services to facilitate integration of refugee and migrant communities, including support services, English for speakers of other languages, promoting cross-cultural dialogues and events, education, induction to the city, life in the UK awareness, volunteering opportunities, employment assistance etc. Access to good quality affordable housing fosters cohesive neighbourhoods and the Council works with Registered Providers and other organisations and landlords in the city to ensure that there are appropriate levels of accommodation built in the city to meet the needs of residents.			

APPENDIX 1

One Coventry Enabler: Council's role as a partner, enabler, and leader							
Service Area: Human Resources							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
32	**A workforce that is healthy and safe** If the council does not actively manage health and safety whilst delivering One Coventry Plan priorities and services to residents, including working within a challenging budget, then employees and members of the public and others may be harmed, resulting in injury, ill health, or loss of life.	Failure to manage health and safety could result in injury, ill-health, or loss of life to employees or members of the public. The Council will be less able to achieve the successful implementation of the One Coventry Plan priorities and deliver services to residents. Increased sickness absence of staff. Disruption to services to residents including those who are vulnerable. Criminal prosecution by enforcement bodies such as the Police and the Health and Safety Executive.	Likelihood Score 5 Impact Score 5 Total Score 25	The Council must always comply with health and safety legislation. The promotion of a positive safety culture ensuring a safe and healthy environment for all. Implement the Council's Health and Safety framework and the Council's Health and Safety Policy. Provide training so that managers and employees are aware of their health and safety responsibilities to themselves, and others impacted by their activities. The Council has invested in health and safety in the last few years by recruiting a further two health and safety advisors and increasing training options. Implement specific health and safety policy, procedures, guidance, and safe systems of work across the Authority at service level.	Likelihood Score 3 Impact Score 4 Total Score 12	Director of People	Likelihood Score 3 Impact Score 4 Total Score 12

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		Sanctions including fines, imprisonment, and disqualification from office. Increased budget pressures from Employers' and Public Liability claims. Increased insurance premiums. Damage to equipment and premises with associated costs and service pressures. Reputational damage and a loss of credibility.		Audit, inspection and monitoring of health and safety compliance across the Authority. The Council has introduced a new recording system for Incidents, accident and near misses - IAN. Awareness raising campaigns involving regular communications to staff promoting a range of health and safety topics to develop a positive safety culture. The Council has undertaken targeted work on violence and aggression at work. Effective Health and Safety risk assessments. Undertaking a review of the Health and Safety Committee arrangements to consider strengthening governance and gaining wider engagement.			

APPENDIX 1

One Coventry Enabler: Council's role as a partner, enabler, and leader							
Service Area: Human Resources							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
33	**Equal pay claims and the impact on budgets and the delivery of services.** The number of equal pay claims already received are a significant financial risk if successful. If the claims continue to increase, there will be a significant impact on the Council's reserves and revenue budget. Meeting liabilities may result in spending reductions and a deterioration in service delivery to vulnerable residents.	There are currently approximately 600 claims under consideration. If the Council needs to meet the liability, including potential additional pension fund contributions, this may necessitate further spending reductions in service budgets. A challenging employee relations climate due to the claims and the subsequent action needed to stop the unfair practice, including industrial action. Reputational damage.	Likelihood Score 5 Impact Score 5 Total Score 25	Claims are being defended at Tribunal. The Council is committed to equal pay principles and practice and equitable pay arrangements for all staff. Posts are subject to Job Evaluation by internal trained panels of staff to ensure that job descriptions accurately reflect duties and responsibilities and are graded fairly. We are reviewing job descriptions for bias and optimising them across the board. The results of decisions made by other authorities are monitored to ensure that relevant lessons are learnt. Expert legal advice is obtained to ensure compliance with legislation. Consultation with both Trades Unions and employees is underway to address the potential underlying	Likelihood Score 4 Impact Score 5 Total Score 20	Director of People	Likelihood Score 4 Impact Score 5 Total Score 20

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				practice which has created the potential inequality.			

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One Coventry Enabler: Continued financial stability of the Council							
Service Area: Cross Cutting							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
34	**Successful investments in companies** If there is inadequate governance of companies, the Council may sustain a depreciation in the value of its investments, be unable to drive income to raise revenue for services and deliver its One Coventry Plan priorities.	Investments have made significant returns through income generation and cost cutting. Investments make a significant contribution to the local and regional economy contributing to growth and employment. Investments have an impact on the regeneration of the city. The Council will be better able to navigate a deteriorating financial backdrop to local government funding caused by inflation and this will help the Council to deliver services to residents.	Likelihood Score 3 Impact Score 3 Total Score 9	The Council has taken care to invest in a broad range of activities to protect against financial shocks to specific sectors. Governance structures have been approved at Cabinet. A subcommittee of Cabinet, the Coventry City Council Shareholder Committee oversees companies in which the Council is a shareholder. In November 2024, the external auditors Value for Money Report (for 2023/24) on company governance maintained that the structures for the companies in the scope of the audit were appropriate and would enable the Council to have oversight of its companies and investments. They have suggested that the Council seeks an independent assurance review once the arrangements are embedded, which is currently a work in progress the result of which will be considered imminently.	Likelihood Score 2 Impact Score 2 Total Score 4	Director of Finance and Resources	Likelihood Score 2 Impact Score 2 Total Score 4

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		Investments are made to support the strategic policy objectives and statutory service provision of the Council, Other investments contribute to increasing the economic prosperity of the city and region.		Suitably experienced or qualified Board Directors are in post in each of the company boards. The Council receives an annual independent valuer's report on long term investment value. **Birmingham Airport** The Council is one of seven Councils which are shareholders, and they sometimes act as a block to increase influence. The Council has a representative on the Shareholder Advisory Board. The Airport has voluntarily adopted a Governance Framework that is assessed against the Wates Principles. There are policies in place to manage financial risk alongside a risk management programme that is regularly reported to the Board. **Sherbourne Recycling** The Council has Director representation on the Board. Impacts of financial guarantees given to contractors are mitigated through shareholder agreements.			

				A competent project team has been established. A comprehensive risk register is maintained. The greatest risk to project viability has been mitigated through engagement with partner Councils. **<u>Coventry and Solihull Waste Disposal Company</u>** The Council has Director representation on the Board. The Articles of Association establish the requirement for unanimous decision making. Coventry City Council has the majority shareholding. **<u>Friargate Joint Venture Project Limited</u>** The Council is represented by 2 out of 5 Directors on the Board. Once the loan provided by the Council is paid off, the assessment of profits available for distribution shall be made by an independent auditor.			

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				University of Warwick Science Park Business Innovation Centre Limited The Council has Director representation on the Board. **UK Battery Industrialisation Centre** The Council has two Director representatives on the Board. **Coventry Municipal Holdings** The board of CMH consists of Council representatives. Industry non-executive directors are appointed to the board of CMH major subsidiaries such as Coombe Abbey. Tom White Waste will appoint an industry non-executive director at the conclusion of its current governance and board changes.			

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One Coventry Priorities and Enablers: ICT and Digital impacts the delivery of all priorities and enablers							
Service Area: Digital Services							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
35	**The threat of Cyber-attack to the delivery of One Coventry priorities** If the Council fails to deliver its ICT and Digital Strategies the likelihood of a large-scale failure of ICT & Digital services due to cyber-attack will increase. *The cyber threat profile is always adapting including, but not limited to, the advances in Artificial Intelligence based Cyber threats.* This could have a fundamental and significant impact on the delivery of the One Coventry priorities, the day-to-day operation of the Council and the provision of services to vulnerable people and the residents of the city.	If there was a large-scale failure of the services and technology that ICT & Digital provide then services to residents and business, including statutory duties, would not continue to be delivered effectively and efficiently and in a manner that suits the customer. Data security and use of systems would be compromised leading to litigation, fines, reputational damage, increased costs, and a waste of staff and managerial time.	Likelihood Score 5 Impact Score 5 Total Score 25	The ICT & Digital Service produce an annual service plan which details the programmes and activities that are being undertaken to continue to provide high performing, stable and resilient infrastructure, technology, and systems to support the day-to-day operation of the organisation and delivery of the One Coventry Plan priorities. Progress against this plan is monitored throughout the year. The Council has an established governance, risk and compliance framework and approach which ensures that risk (including resilience) and compliance issues are actively identified, tracked, and remediated. Supply chain risks are also monitored through this, with extra focus given to core/critical systems. Cyber resilience is pursued by having scheduled monthly maintenance windows where servers are patched, upgraded, and maintained with the latest bug and security fixes and scheduled network maintenance windows, so that network connectivity	Likelihood Score 4 Impact Score 3 Total Score 12	Director of Digital Services	Likelihood Score 4 Impact Score 3 Total Score 12

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				and firewall devices are patched and maintained. Cyber Awareness raising activities are undertaken throughout the year including an annual cyber awareness campaign, completion of annual cyber security mandatory training, phishing simulation tests topical intrant articles or webinars when required. Patching and maintenance of laptops is on a 14-day cycle in line with the recommendation of the National Cyber Security Centre.			

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One Coventry Enabler: Council's role as a partner, enabler, and leader							
Service Area: Communications							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
36	**Managing any loss of reputation and public trust** There are numerous issues, which if they happen carry the risk of damaging the Council's reputation with the public resulting in a loss of their trust. For example: industrial action, loss of data, a service failure, political matters etc.	The nature of the impact on the reputation of the Council will depend on the type of incident that has taken place.	Likelihood Score 3 Impact Score 4 Total Score 12	The council has board-level representation for communications with experience of major incidents and reputational matters. A communications update is provided to Leadership Team each week highlighting risks and mitigating actions. The Communications Department is responsible for managing situations and advising the services involved.	Likelihood Score 2 Impact Score 3 Total Score 6	Strategic Lead for Policy and Comms	Likelihood Score 2 Impact Score 3 Total Score 6

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One Coventry Enabler: Council's role as a partner, enabler, and leader							
Service Area: Regulatory Services							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
37	**Inadequate database systems in Regulatory Services** If, following a data transfer to new products and packages, the Council has inadequate database systems (Property Licensing, Building Control and Alcohol and Entertainment Licensing) there is a risk that the Council's business will not be conducted efficiently resulting in statutory requirements not being met, inspections not being conducted, and complaints not being investigated.	An inaccessible case management system. Not meeting statutory requirements, inspections not being conducted, and complaints not being investigated. Damaged relationships and reputation with stakeholders such as customers, partners, and regulators. Operational efficiency and reliability are reduced because of delays, errors and disruptions to data processing, analysis, and reporting. A financial impact on the Council due to increased expenditure and reduced fee income.	Likelihood Score 5 Impact Score 4 Total Score 20	Data recovery: recover the corrupted, lost, or mismatched data files from the old database system, the data backup, or the data sources of origin. Repair or restore the damaged or altered data files using data recovery tools or manual methods. Data validation: validate the recovered data files against the data specifications and requirements of the new system. Verify the data formats, data types, data structures, data fields, and data values of the recovered data files using data validation tools or manual methods. Data reconciliation: reconcile the validated data files with the existing data files in the new system. Resolve any conflicts, discrepancies, or anomalies between the validated data files and the existing data files using data reconciliation tools or manual methods. Data quality assurance: ensure the	Likelihood Score 4 Impact Score 4 Total Score 16	Director of Law and Governance	Likelihood Score 4 Impact Score 4 Total Score 16

		The strategic direction, alignment, and execution of the organisation will be affected resulting in compromised decisions, actions, or outcomes. The new Building Safety Regulator Operational rules/KPIs not being met, and a risk of renewing the 5 Year Additional Licensing Scheme.		quality of the reconciled data files in the new system. Test the functionality, performance, security, and reliability of the reconciled data files using data quality assurance tools or manual methods. Plan and design the data transfer carefully, considering the data requirements, specifications, and expectations of the source and target systems. Test and verify the data transfer thoroughly by using sample data, mock data, or live data, and metrics, such as data quality, format, security, volume, and integration. Monitor and troubleshoot the data transfer continuously, using tools such as logs, alerts, or reports, and techniques such as root cause analysis, error handling, or corrective actions. Document and communicate the data transfer clearly using policies, procedures, or guidelines, and channels such as meetings, emails, or newsletters. Review and improve the data transfer periodically by feedback, evaluation, or lessons learned, and methods such as benchmarking, optimization, or innovation.			

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One Coventry Priorities: Improving outcomes and tackling inequalities within our communities							
Service Area: Cross-cutting							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score June 2024**
38	**Impact of the Illegal Migration Act 2023 on Coventry** The Illegal Migration Act 2023 (IMA) poses significant risks to the protections and support systems currently in place for asylum seekers, including children and adults, arriving in the UK after 20 July 2023. If fully enacted, the Illegal Migration Act will fundamentally alter the asylum system. A significant increase in the number of asylum seekers (currently estimated at 2,000) will be in limbo, uncertain of their status and facing the possibility of detention or removal. This may lead to increased social	Many individuals arriving in the UK would no longer have their asylum claims assessed in the UK, leaving them vulnerable to detention and removal. Unaccompanied children, who would face the threat of removal upon reaching adulthood (18 years). Increased uncertainty for asylum seekers Strain on local services (homelessness & housing, healthcare, social services) Challenges to community cohesion Vulnerability of unaccompanied children leaving care	Likelihood Score 3 Impact Score 4 Total Score 12	Enhance support networks for asylum seekers, facilitating integration through language support, cultural orientation, and access to essential services. Prioritise mental health support services to address the psychological impact of uncertainty, trauma, and prolonged displacement. Develop contingency plans for increased demand on services, ensuring resilience in housing, healthcare, and social care provision. Implement community engagement programmes to foster understanding, through the Faith Network to promote cross-cultural dialogues and events that bring different communities together. Establish robust safeguarding measures for unaccompanied children, collaborating with partners to ensure their protection and support. Expand outreach programmes, emergency accommodation, and	Likelihood Score 2 Impact Score 3 Total Score 6	Director of Public Health and Wellbeing	Likelihood Score 2 Impact Score 3 Total Score 6

	tensions; undermine community cohesion, and exacerbate existing challenges related to homelessness, housing, healthcare, and social services.	Increased risk to street homelessness Higher vulnerability to Modern Slavery Rise in Illegal working and informal labour participation		housing partnerships to prevent and address street homelessness. Collaborate with the Modern Slavery Lead to develop prevention strategies, raise awareness, strengthen partnerships, and understand and act on the different legislative landscape impacting this vulnerable cohort. Collaborate with local NGOs, charities, via the Migration Network to enhance support services for those affected by the IMA. Strengthen emergency preparedness through the West Midlands Strategic Migration Partnership to address local/regional challenges. Promote quality, accessible events that encourage positive interactions between established residents and asylum seekers. Expand the Migration Team's capacity to facilitate tailored support to meet the evolving needs of vulnerable individuals and groups. Enhance community policing efforts to tackle potential tensions and ensure safety for all residents.			

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One Coventry Priority: Improving outcomes and tackling inequalities within our communities							
Service Area: Children and Education Services							
No	**Risk description**	**Impact**	**Inherent risk score**	**Measures to mitigate risk**	**Residual risk score**	**Risk owner**	**Previous score**
40 (NEW)	**Mainstream Education Sufficiency** A growing child and young person population is impacting on our ability to meet statutory duty to ensure there is sufficiency of school places for children and young people living in Coventry. We have been implementing additional places into the Secondary Sector since 2018 to respond to a birth rate population bulge moving through the system. A significant increase in in-year admissions (21/22, 22/23 and 23/24 academic years) has impacted on sufficiency of places	The Secondary sector has already been expanded to meet birth rate pressure. 17/22 schools have been expanded to meet temporary and permanent increase. Primary and Secondary: Pupils are having to be allocated via the Fair Access Protocol over and above Pupil Admission Number putting pressure on already expanded and fuller schools. Less pupils are allocated a preference school impacting on the level of complaints, PR, and children not in school (school refusers, EHE). Use of DSG Growth funding to incentivise	Likelihood Score 5 Impact Score 3 Total Score 15	Implemented and delivered further planned Primary and Secondary school expansion (temporary and permanent) through reutilising previous temporary growth and opening bulge classes across primary (11) and secondary (1). Use of capital funding to ensure schools can be supported to expand and have appropriate facilities to support additional pupil numbers. Updated Pupil Place Planning forecasting process to include levels of pupil growth – modelling the impact over the short and longer term. Communication, Information Sharing and Partnership approach to school expansion	Likelihood Score 3 Impact Score 3 Total Score 9	Director of Children and Education Services **Sukriti Sen** Strategic Lead – Education Rachael Sugars	N/A

	across the mainstream sector, and is also impacting on co-ordinated admissions (Year 6/7). Recent government changes announced in relation to VAT on private school fees could result in pupil movement from the private sector to the state sector.	schools to grow due to the lagged funding system for schools. Changes to DFE methodology to capital funding allocations (3 year model to a 2 year model) mean that resource to support further expansion (temporary and permanent) is limited.		focussing on flexibility for schools to grow and shrink according to pupil demand. In the process of securing a site to open further secondary school provision from September 2027 via a free school presumption process. Ongoing discussions with primary and secondary colleagues in relation to future expansions, and close liaison with the DfE Sufficiency Team in relation to capacity for in-year and co-ordinated admissions including supported discussions with MATs where required.			

Coventry City Council

Public report

Scrutiny Co-ordination Committee 6 March 2025
Audit and Procurement Committee 17 March 2025
Coventry Shareholders Committee 26 March 2025

Name of Cabinet Member:
N/A

Director approving submission of the report:
Director for City Services and Commercial and Director for Coventry Municipal Holdings Limited – A Walster

Ward(s) affected:
None

Title:

Coventry Municipal Holdings Limited – Accounts for the Year Ending 31st March 2024

Is this a key decision?
No

Executive summary:

Coventry Municipal Holdings Limited (CMH) manages the commercial interests of the wholly owned Council investments in a number of arm's length company investments. A key legal document called the Group Governance Agreement (GGA) was developed to provide the governance framework for Coventry Municipal Holdings Limited (CMH), the parent for the Council's wholly owned investments. The GGA stipulates that CMH should produce an Annual Performance Report looking back at the operation of the Group to the year-end. This report is presented to Coventry Shareholder Committee each year with the published accounts being presented to Audit and Procurement Committee.

This report looks at the year ending 31st March 2023 and 31st March 2024 for the CMH group of companies based on their audited accounts which are available at Companies House. Tom White Waste and Coventry Municipal Holdings Group received an extension for filing granted to the 31st March 2025 and as such although they have been approved by the Board of Directors may not yet appear on Companies House. The accounts for all other companies will be available at Companies House.

The accounts for the year ending 31st March 2023 for Tom White Waste Limited Group, Coventry Technical Resources Limited and Coventry Regeneration Limited were previously presented to Audit Committee on the 29th January 2024.

Recommendations:

Scrutiny Co-ordination Committee is recommended to:-

(1) Consider the financial position as reported in the Annual Accounts for the Companies to 31st March 2023 and 31st March 2024.

(2) To make any comments/recommendations to the Coventry Shareholder Committee arising from this meeting.

Audit and Procurement Committee is recommended to:

(1) Consider the financial position as reported in the Annual Accounts for the Companies to 31st March 2023 and 31st March 2024.

(2) To make any comments/recommendations to the Coventry Shareholder Committee arising from this meeting.

Coventry Shareholders Committee is recommended to:-

(1) Consider any comments/recommendations received from Scrutiny Co-ordination Committee and Audit and Procurement Committee

(2) Note the financial position as reported in the Annual Accounts for the Companies to 31st March 2023 and 31st March 2024.

List of Appendices included:

The following appendices are attached to the report:

Appendix 1 – Coventry Municipal Holdings Limited Group accounts for the year ending 31st March 2023
Appendix 2 – Coventry Municipal Holdings Limited Group accounts for the year ending 31st March 2024
Appendix 3 – Coombe Abbey Park Limited Group accounts for the year ending 31st March 2023
Appendix 4 – Coombe Abbey Park Limited Group accounts to the year ending 31st March 2024
Appendix 5 – Coventry Technical Resources Limited accounts to the year ending 31st March 2024
Appendix 6 – Coventry Regeneration accounts for the year ending 31st March 2024
Appendix 7 – Tom White Waste Limited accounts for the year ending 31st March 2024

Background papers:

None

Other useful documents

None

Has it or will it be considered by Scrutiny?

Yes – 6th March 2025

Has it or will it be considered by any other Council Committee, Advisory Panel or other body?

Scrutiny Co-ordination Committee – 6 March, 2025

Audit and Procurement Committee – 17 March, 2025
Coventry Shareholders Committee – 25 March, 2025

Will this report go to Council?

No

Report title: Coventry Municipal Holdings Limited – Accounts for the Year Ending 31st March 2024

1. Context (or background)

1.1. The CMH group includes the following companies:

- Tom White Waste Limited (TW) and subsidiaries: A&M Metals, TW(LACo) (the Teckal company)
- Coombe Abbey Park Limited (CAPL) and subsidiaries: No Ordinary Hospitality Management (NOHM), Coombe Abbey Park (LACo) (the Teckal company)
- Coventry Technical Resources Limited (CTR)
- Coventry Regeneration Limited (CR)
- No Ordinary Hotels Limited (effectively a dormant company)

1.2. The vision for Coventry Municipal Holdings (CMH) for is;

- To provide excellent governance across its own activities and those of its subsidiaries in accordance with the Group Governance Agreement
- To derive value from commercial activity in line with the strategic corporate objectives that may be used to off-set budget pressures and enhance services delivered by Coventry City Council
- To have a positive social and environmental impact through its undertakings and activities
- To grow the portfolio of activity of CMH and its subsidiaries in a risk balanced manner through organic growth, further acquisition and investment in business process and infrastructure
- To provide a vehicle for investment

1.3. The reorganisation of the Council's external companies through CMH provides strong strategic leadership which, in turn will:

- deliver sustainable growth across existing commercial investments
- identify and execute opportunity for investment in new initiatives and opportunities; and
- seek to increase the financial return to the shareholder, Coventry City Council, to help offset other frontline service budget pressures

1.4. CMH and the trading subsidiaries signed a Deed of Adherence which confirmed their agreement to meet the requirements under the Group Governance Agreement (GGA). This legal document is the framework that each entity complies with in relation to company governance with information on the make-up and role of the Board of Directors, Coventry Shareholder Committee and the delegations for decisions at the various levels in the structure. In addition to this, the GGA also covers the reporting requirements and information for Business Planning and budgets and the Annual Performance Report. Appended to the GGA are the following policies:

- Delegations Policy
- Conflicts Policy
- New Subsidiary Policy
- Council Contracting Policy
- Procurement Policy

- HR Risk Policy

1.5. Each of the entities produce their own accounts and then a consolidated set of accounts is created for each parent company (Tom White Waste Limited, Coombe Abbey Park Limited) and at the CMH group level at the year end. A high level review of the financial statements for each entity is included below with a consolidated report at CMH. The accounts for the year ending 31st March 2023 for Tom White Waste Limited group, Coventry Technical Resources Limited and Coventry Regeneration Limited were previously presented to Audit Committee on the 29th January 2024.

1.6. There were a number of challenges with regards to the financial position for the subsidiaries in the group with the leisure sector recovering from the impact of Covid-19 and Tom White experiencing additional operating costs, higher material disposal costs, together with the correction historic accounting practices. These factors have affected the financial performance as reported.

2. Options considered and recommended proposal

2.1. **Adherence to the Group Governance Agreement –** Each of the trading entities has adhered to the requirements under the GGA. Decisions which have required escalation to CMH Board or Coventry Shareholder Committee have been taken to the respective Boards for approval. Each of the entities have complied with the Council Contracting Policy and Procurement Policy.

2.2. **Statutory accounts** - The accounts for each company are summarised below with the previous year first (where the accounts have not already been shared for the year ending March 2023) and then the latest position (year ending March 2024). The accounts have been approved by each respective company and approved by the external auditors who have provided a clean audit opinion for each company. The companies have provided sufficient information to the auditors to demonstrate the ongoing financial viability. The auditors have been satisfied that the companies are of going concern, that they financially stable enough to meet their ongoing obligations and continue to trade.

2.3. **Coventry Municipal Holdings Limited accounts to the year ending 31st March 2023** – the company accounts reflect the consolidated position for the 12 month period 1st April 2022 to 31st March 2023. (Appendix 1). These accounts were filed following the submission of all entity accounts. An extension of time was granted for filing by Companies House due to the extended audit work required for the Coombe Abbey Park Limited accounts for the same period. It should be noted that the comparator period is a shorter accounting period (26th October 2021 to 31st March 2022). The key elements of the accounts are summarised below:

- A consolidated turnover of £33.7m and a gross profit of £9.59m which demonstrates that the direct cost of delivering services in the subsidiaries, is covered by the revenue generated.

- When we factor in the overheads of delivery, including depreciation, this creates an operating loss of £0.4m.

- After finance costs of which £1.4m relate to CAPL and taxation, this results in a reported loss for the year of £1.76m mainly due to the reported loss for CAPL (see section 2.4)

- CMH received a one off working capital grant from the Council when it was incorporated which it uses to manage cash flow and the operation of the business. This is reflected on the balance under the equity section as capital contribution reserve.

- The group has a strong balance sheet position, with net assets at £6.3m. This reflects total assets of £47.6m less total liabilities of £41.3m (over £30.5m relates to long term liabilities).

- The equity section of the consolidated balance sheet reflects the increase in the value of the assets on the balance sheet by £0.4m which will be held in the revaluation reserve, rather than increasing the value of the asset. The accounts have been consolidated based on the merger accounting basis which reflects the movements with entities under common control without inflating the balance sheet. Any movement in the investment value paid for the shares and the net asset value for each entity will be held in a merger reserve rather than under the fixed assets category of the balance sheet as goodwill. As the value of the net assets change year on year, this value would be adjusted as required, in the reserve. This accounting treatment has been adopted as it meets the requirements for mergers as a result of a business combination. The value of the investment in the company shares is only realised at the point we dispose of them.

- On incorporation CMH acquired shares in the subsidiaries at value of £20.199m, which was equal to the long term investment value on the Council's balance sheet at the time. This will be compared to the net asset value at the point of acquisition with any difference recorded and held in the merger accounting reserve. A movement of £11.5m under the merger reserve is reflected on the balance sheet largely due to the impact of Covid-19 on the trading performance for the CAPL and the loss reported in TW due to the depreciation written off in the year of incorporation.

- Overall the accounts show a total assets position of £47.6m, equal to the equity and liabilities in the group of companies.

2.4. **Coombe Abbey Park Limited Group Accounts to the year ending 31st March 2023** – accounts to the 31st March 2023 reflect a 15 month position from 1st January 2022 to 31st March 2023, to align the year end with the wider group. CAPL was granted an extension of time for filing for these accounts based on accounting treatment and the impact of a new financial system, which is why they were not available for the last meeting. The accounts for the company are now available at Companies House (See Appendix 3) are summarised below:

- Revenue was strong in the period achieving £13.6m over the 15 month, with a strong start to the period but there was a clear plateau with post covid bookings and the impact of the cost of living crisis affecting customers disposable income. Even with this pressure the business secured revenue only £0.78m short of budget. This achieved a gross profit of £3.69m, a profit margin of 27%. This 15 month period reflects two of the quietest quarters in the sector (January to March) during this accounting period.

- Occupancy was lower than budgeted at 61.2% but the average room rate was 11.5% higher than budgeted. This saw a drop of £0.35m in revenue, but also a cost saving associated with servicing the rooms.

- Inflationary cost pressures affect the cost of sales, especially in key areas like food and beverage and laundry which saw c30% increase in their costs, placing greater pressure on the business. The sector as a whole has struggled to recruit to key roles following Brexit, which has led to higher than budgeted agency expenditure, and with the impact of the national living wage, this increased payroll costs by 6.6% in 2022 and 9.7% in 2023.

- In March 2023, the hotel suffered a flood, which affected Park Priory, a separate bedroom, resulting in 39 bedrooms being out of action. This also affected the financial performance in 2023/24.

- The implementation of the new financial system took longer than expected, it led to a number of challenges in relation to data capture and embedding the system, alongside changes within the finance team, which has contributed to delays in the publishing of the financial statements.

- The operating loss for the year was £0.628m which includes depreciation of £0.963m. If we add back depreciation this results in an EBITDA (earnings before interest, tax, depreciation and amortisation) of £0.335m. A positive EBITDA demonstrates the company is cash generating.

- The finance costs of £1.417m relate to the interest on the debt financing in place with the Council and the interest on the right of use asset, which increase the operating loss to £2.045m.

- The company has fixed assets of £23.08m which includes the hotel lease asset in the accounts as a right of use asset worth £13.96m which represents the company's right to use the hotel asset for the duration of the remaining lease. Under International Financial Reporting Standards (IFRS) there is a corresponding lease liability on the balance sheet equivalent to the principal element of the lease payments due over the remaining term of the lease which reduces each year. This along with the interest charge replaces the rental value that would otherwise have been recorded in the profit and loss account.

- The company balance sheet shows a reduction in the net assets to £0.4m due to the reported loss in year. This net assets position is made up of £3.3m in share capital and a negative profit and loss reserve balance of £3.7m based on the loss achieved in the current and previous year. For the company to be in a position to declare a dividend the balance on the profit and loss reserve would need to be positive.

- The company ended the year with £1.3m cash on the balance sheet. This is partly due to the challenges that the company has faced in relation to submitting its VAT returns and making payment following an application to HMRC for a group VAT registration. The challenges have been due to HMRC rather than actions of CAPL and CAPL are working with HMRC to submit the returns due and seek time to pay the outstanding liability of £1.3m at the year end.

2.5. **Coombe Abbey Park Limited group accounts to the year ended 31st March 2024-** the account for the year ending 31st March 2024 are now available on Companies House (Appendix 4) with the key points summarised below:

- The revenue generated over the 12 month period was £12m compared to £13.6m over the 15 previous months. The gross profit generated in the year is 31%, an increase from 27% in the previous year. With the hotel suffering a flood in March 2023, which impacted 40 bedrooms and caused significant disruption and costs to the business. Although most costs have been recovered through insurance, business interruption did not reimburse all costs. The hotel was without 30% of its bedroom stock for 2 months which affected the ability to grow occupancy and secondary spend, plus additional operational costs during that period.

- Occupancy was lower than budgeted at 62.9% but the average room rate was 2.5% lower than budgeted. This contributed towards a reduction in revenue at the hotel compared to the budget of £0.49m, but also resulted in a cost saving associated with servicing the rooms.

- The business continues to experience an increase in costs due to inflationary pressures, especially in relation to food and beverage costs by 10-20%. There has been a significant improvement in food cost of sales during the final quarter of 2023-24 to manage food cost of sales to below budget and now a greater focus on beverage cost of sales. Both of these metrics are now showing as below budget in the current financial year and continue to be monitored monthly by the Board of Directors.

- During the year the group was protected from the large increase in energy prices due to the nature of the contracts in place and has now secured new arrangements that will help to manage these costs going forward. The nature of operating within a Grade one listed building has meant opportunities to reduce the cost base further have been limited, due to the nature and layout of the building but there are plans a number of areas for investment earmarked in 2024/25 to improve the aesthetics of key areas in the hotel.

- The operating profit for the year was positive at £0.371m compared to a loss in the 15 months prior at £0.627m. Both of these figures include depreciation, which when added back to the operating profit, this equates to an EBITDA of £1.203m.

- Overall the company has generated a loss of £0.722m after the finance costs in relation to the interest on the debt financing in place with the Council and the interest on the right of use asset has been considered.

- The balance sheet has total assets of £23.962m and with current liabilities of £24.943m. The liabilities are greater than the assets which generates a negative net assets position, due to the loss generated in year of £0.722m compared to £2.045m the year before, which is an improving position.

- The Directors have prepared the financial statement on a going concern basis having considered that the company has continued to generate cash through the revenue achieved and the EBITDA position. the company has managed the cost of sales for food and beverage well, as well as implementing plans to make savings of £0.25m in the year. The company has continued to meet all debt financing and hire purchase liabilities and ends the year with £1.114m cash and cash equivalents on the balance sheet. The ongoing cashflow forecast for 13 weeks and the next 24 months, demonstrates that the company has sufficient funds to meet its ongoing liabilities including VAT and continue to trade as a going concern. The group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future.

- There continues to be challenges in relation to the group VAT registration number and changes to their accounting periods for VAT, which has delayed the submission of VAT returns through no fault of the business. As such the group has not submitted a VAT return for a period over 12 months in the accounts and holds a large VAT liability on the balance sheet of £2.1m which has partly been settled in 2023/24 with payments on account. The returns for 2022-23 have now been submitted and the returns for 2023-24 are in the process of being submitted to HMRC.

- During 2023 the Board of Directors appointed two new Non-Executive Directors to strengthen the skill set on the Board. Jim Cockell was appointed as the sector specialist with a background in running his own hotel and careers as a hospitality and revenue management consultant. We also appointed Paul Ward who is the Council representative, with a substantive role as the Director of ICT at Coventry City Council. In addition to this, the Company also restructured its finance team, making one of the Head of Finance roles redundant. There is still further work to do to strengthen the financial support provided by the team which remains ongoing.

2.6. **Coventry Technical Resources Limited Accounts to the year ending 31st March 2023** – the accounts for the company (Appendix 5) show:

- a turnover of £0.36m which is the recovery of the costs incurred plus a small margin to provide resource solutions to the Coventry City Council under a series of contracts. The company employed an average of 4 people in the year

- The company generated a small profit of £0.004m in year

- The company does not have any fixed assets and the balance sheet has net assets of £2.78m mainly due to the cash balance of £2.7m which reflects the proceeds from the sale of shares in Arena Coventry Limited which is due to paid to the Council

2.7. **Tom White Waste Limited accounts for the year ending 31st March 2024 –** these accounts reflect the financial performance for the 12 month period. An extension of time was granted by Companies House to extend the filing date from the 31st December 2024 to 31st March 2025, as a result of the key decision taken by Full Council in January 2025 in relation to the balance sheet restructure and sale and leaseback of the operational site. This was a material transaction for the accounts after the year end, so in conjunction with the auditors a decision was made to delay finalising the accounts until this approval had been granted. The accounts have been approved by the Board of Directors and submitted to Companies House for filing, although may not appear on the website (Appendix 7). The key elements of the accounts are summarised below:

- Revenue remained on par with the previous year achieving £21.1m compared to £21.6m the previous year and the cost of sales remained consistent achieving a gross operating profit of £5.9m (maintaining a 27.8% margin gross operating profit/ revenue).

- The overheads were higher than the previous year by £1.4m, this includes £0.2m costs incurred in relation to the MRF project which did not proceed, £0.6m additional depreciation in the year and a further £0.5m for plant breakdowns and repairs.

- These additional costs and the end of some key revenue accounts has contributed towards loss of £1.79m for the year, compared to the loss of £0.3m in 2023. This is after taking into account finance costs and tax.

- The company has assets valued at £18.9m including the operational site that was subject to the sale and leaseback transaction in January 2025.

- At the year-end the cash and cash equivalents were £0.2m. The Board of Directors have visibility of the cash flow forecast every month and the management team have more frequent oversight and management of the cash position. The execution of the intercompany loan and balance sheet restructure in 2024/25 have strengthened the cash position and place the company in a strong financial position moving forward.

- Equity remains positive at £1.3m, although reduced as a result of the loss reported in year.

- The company has completed a detailed three year P&L forecast with corresponding 13 week cash flow forecast. Following the sale and leaseback and balance sheet restructure both of these demonstrate a strong underlying business with opportunity for growth back to previously enjoyed EBITDA and profit levels. The financial forecast to support the balance sheet restructure was independently reviewed by EY (Ernest Young) and KPMG as part of an independent business review and confirmed that the actions and growth assumptions for future years by the management team and approved by the Board of Directors demonstrated a viable underlying business with a strong business plan. This plan is currently being updated and will be presented to the Shareholder Committee in March 2025 as part of the Business Planning and budget approval process.

2.8. **Coventry Municipal Holdings Limited accounts to the year ending 31st March 2024** – the company accounts reflect the consolidated position for the 12 month period 1st April 2023 to 31st March 2024. (Appendix 2). These accounts were filed following the submission of all entity accounts. An extension of time was granted for filing by Companies House due to the extended audit work required for the Tom White Waste Limited accounts for the same period as a result of the balance sheet restructure that was approved by Full Council in January 2025. The key elements of the accounts are summarised below:

- A consolidated turnover of £33.6m which is on par with the previous year and a gross profit of £10.05m (2023 £9.6m) which is higher than the previous year, a good position given the additional cost pressures faced by all businesses in the delivery of services, which cannot all be recovered from the prices charged to customers, which squeezes the profit margin.

- When we factor in the overheads of delivery, including depreciation, this creates an operating loss of £1.09m, larger than the previous year mainly due to the operating loss reported in the TW accounts of £1.78m compared to the previous years' operating profit of £0.31m. Further details of this are covered under the TW accounts in section 2.6.

- After finance costs of which £1.0m relate to CAPL and £0.7m relate to TW and taxation, this results in a reported loss for the year of £2.9m mainly due to the reported loss for TW (see section 2.7).

- CMH received a one off working capital grant from the Council when it was incorporated which it uses to manage cash flow and the operation of the business. This is reflected on the balance under the equity section as capital contribution reserve.

- The group has a strong balance sheet position, with net assets at £3.1m. This reflects total assets of £45.8m less total liabilities of £42.8m (over £29.9m relates to long term liabilities in relation to long term loans and leases).

- The equity section of the consolidated balance sheet reflects the reduction in value the investments in the subsidiaries and assets on the balance sheet by £4.6m which will be held in the fair value reserve, rather than increasing the value of the asset. As the value of the net assets change year on year, this value would be adjusted as required, in the reserve. This accounting treatment has been adopted as it meets the requirements for mergers as a result of a business combination. The value of the investment in the company shares is only realised at the point we dispose of them.

2.9. As well as the companies discussed above the group also includes Coventry Regeneration (Appendix 6) which has a small profit before tax of £57 and No Ordinary Hotels Limited which are effectively dormant.

2.10. The recommended option is to consider the accounts to the year ending 31st March 2023, 31st March 2024 and provide any recommendations to Coventry Shareholder Committee.

3. Results of consultation undertaken

3.1. No consultation undertaken

4. Timetable for implementing this decision

Audit Committee are asked to make comments as per the recommendation.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1. **Financial Implications**

The Council relies on timely and accurate accounts from its subsidiaries to produce its own consolidated accounts. Draft accounts from CMH have been used to prepare the Council's 2023/24 accounts, due to the delays finalising the TW accounts. The use of draft accounts in the absence of final accounts is permissible under the CIPFA Code of Practice, which sets out the Council's reporting requirements. However, final accounts will be used where possible.

The Council continues to recognise goodwill on the purchase of CAPL and TW in its consolidated accounts as the companies were previously acquired in December 2017 and March 2020 respectively. The Council recognises post-acquisition gains and losses from these dates, whereas CMH does so from the share issue in November 2021.

On incorporation, CMH acquired shares in the subsidiaries at the value that was equal to the long-term investment value on the Council's balance sheet at the time. The difference between the long-term investment value and the net asset values reported on the company balance sheets at the point of acquisition is held in a merger reserve. This would normally be recognised as a goodwill asset on the balance sheet. A merger reserve was used as this was deemed to be a business combination under common control as the ultimate ownership of the companies remained with the Council, meaning there was no further goodwill to recognise. This accounting treatment has been adopted as it meets the requirements for mergers as a result of a business combination.

As the value of the shares change year on year, CMH will recognise any changes in a fair value reserve. The value of the investment in the company shares is only realised at the point of disposal.

The consolidated accounts for CMH and the entity accounts are all produced under International Financial Reporting Standards (IFRS). There are some differences between IFRS and UK Generally Accepted Accounting Practice (UKGAAP), with a key standard under IFRS16 accounting for leases standard. Under IFRS 16 there are now a number of leases appearing on the Statement of Financial Position (balance sheet) as part of the non-current (fixed) assets which would not have been treated as such under UK GAAP. The reason the companies account under IFRS is to align the accounting treatment to the standards applied in the Council accounts.

No further dividends were declared in the years reported. The Council received £1.2m from CMH companies in rent, and financing costs.

5.2. **Legal Implications**

CMH has acted in accordance with the Group Governance Agreement which sets out the policies and obligations on the group. The decisions being made are in compliance with the Terms of Reference of Coventry Shareholder Committee and align with the Group Governance Agreement and the Delegations Policy. The group have submitted their confirmation statements and requirements to Companies House on the submission requirement dates. The audited accounts for the year ending 31st March 2024 will be submitted to Companies House as soon as they are finalised for Tom white Waste Limited and Coventry Municipal holdings Limited.

6. Other implications

6.1. **How will this contribute to the One Coventry Plan?**
(https://www.coventry.gov.uk/onecoventryplan)

Any income or dividend revenue declared by the entities in the group of companies will support the Council to deliver its core aims. TW continue to pursue projects which will deliver environmental benefits through greater recycling and extraction of recyclable materials rather than a focus on waste disposal. Coombe Abbey Park continues to support making Coventry an attractive and enjoyable place to be through the leisure offer they provide.

6.2. **How is risk being managed?**

The risks and mitigations for the entities are detailed in each entity business plan which is presented and approved by Coventry Shareholder Committee in March each year.

It is noted that the subsidiary companies are in waste & environment (construction) and in leisure, both of which are sensitive to the geo political global environment and may be impacted by matters outside the control of the operating companies or of CMH. The Board will monitor these matters and impacts to performance of CMH, mitigate where ever possible, and report the same to the Coventry Shareholder Committee from time to time as appropriate.

6.3. **What is the impact on the organisation?**

The companies should deliver dividend income along with the existing income streams of rent and financing costs in future years which will go towards delivery of the Council's priorities.

6.4. **Equalities / EIA?**

No equalities impact assessment has been undertaken.

6.5. **Implications for (or impact on) climate change and the environment?**

The group is taking steps to reduce energy consumption, waste and increase recycling. The core values for Tom White Waste Limited support this with Project Our Planet being at the heart of how the business operates.

6.6. **Implications for partner organisations?**

Any impact on partner organisations is covered in each respective company Business Plans which is being prepared for the forthcoming financial year.

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Enquiries should be directed to the above person

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services Co-ordinator	Law and Governance	19/02/25	19/02/25
Mike Phillips	Lead Accountant	Finance	14/01/25	17/01/25
Names of approvers for submission:				
Tina Pinks	Finance Manager	Finance	14/01/25	17/01/25
Gurbinder Singh Sangha	Major Projects Lawyer/ Company secretary	Law and Governance	14/01/25	17/01/25
Andrew Walster	Managing Director Coventry Municipal Holdings/ Director of City Services and Commercial	-	14/01/25	24/02/25

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GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

FOR

COVENTRY MUNICIPAL HOLDINGS LIMITED

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2023

COVENTRY MUNICIPAL HOLDINGS LIMITED

COMPANY INFORMATION
for the year ended 31 March 2023

DIRECTORS:	Mr P Fahy Mr G W McKelvie Mrs P Mudhar Ms K G Nelson Mr A J Walster
SECRETARY:	Mr G S Sangha
REGISTERED OFFICE:	Council House Earl Street Coventry West Midlands CV1 5RR
REGISTERED NUMBER:	13705254 (England and Wales)
AUDITORS:	Luckmans Duckett Parker Limited Chartered Accountants Statutory Auditors 1110 Elliott Court Herald Avenue Coventry Business Park Coventry West Midlands CV5 6UB

GROUP STRATEGIC REPORT
for the year ended 31 March 2023

The directors present their strategic report of the company and the group for the year ended 31 March 2023.

REVIEW OF BUSINESS

Coventry Municipal Holdings Ltd (CMH) was created to strengthen the governance arrangements to manage Coventry City Council's (the "Council") commercial wholly owned arm's length investments. The reorganisation of the Council's external companies through CMH provides strong strategic leadership which, in turn will:

- deliver sustainable growth across existing commercial investments;
- identify and execute opportunity for investment in new initiatives and opportunities; and
- seek to increase the financial return to the shareholder, Coventry City Council, to help offset other frontline service budget pressures.

The entity accounts for Coventry Municipal Holdings Ltd have been prepared under UK-adopted International Financial Reporting Standards (IFRS). The results for the year ended 31st March 2023 show a loss after tax of (£36,023). The company has total equity of £14,333,903 and total cash and equivalent balances of £153,352.

The principal activities of the subsidiaries in the group have remained the same throughout the period, with Tom White Waste Limited (TWW) focusing on waste management and recycling services and Coombe Abbey Park Limited (CAPL) focusing on the hospitality and the leisure sector.

The financial performance of Tom White Waste Ltd shows a significant improvement in profitability compared to the previous year, with an increase in revenue by 25% in 2023 and gross profit margin increased to 28% compared to 23.1% in the previous year. TWW continued to support the Council to provide a waste collection service while the Council's HGV drivers were on strike. In October 2022 Council approved a loan to TWW to redevelop the existing Material Recycling Facility. This was to improve the availability of the plant and increase the volume of waste that can be recycled and diverted away from landfill. Significant improvements in the results, led to the business reconsidering the development of the material recycling facility, with a greater focus on deriving further results via additional processing of the existing waste streams with a view to becoming a direct supplier of a recovered fuel. Any investment will be met from existing cashflow, negating the need to draw down additional loan facilities.

Coombe Abbey Park Ltd had a strong start to the year but saw a clear plateau with post covid bookings and the impact of cost of living crisis affecting customers disposable income. Even with this pressure the business secured revenue only £0.78m short of budget. There has been a shift in bookings from corporate bookings to more leisure and events. The relationship with Go Ape continues to strengthen with the leisure operation in Coombe Abbey Park delivering a good financial return and footfall to the site. As seen across the sector, the business experienced increased costs due to inflationary pressures especially with food and beverage, laundry with some increases as high as 30% in year. The sector as a whole has struggled to recruit to key roles, due to a shortage of key posts, partly due to the impact of Brexit, leading to higher staffing costs and increased agency spend.

The two subsidiaries within the consolidated group accounts of Coombe Abbey Park Ltd were incorporated on 19th April 2021. These are Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited.These companies assist the group in achieving its objective of securing future developments including but not limited to outside operations within Coventry, enhancements to the existing site and potential acquisitions and/or management contracts.

All businesses felt the impact of the national living wage increase of 6.6% in 2022 and 9.7% in 2023.

Coventry Technical Resources Ltd has continued to provide resourcing solutions for the Council in line with business need.

GROUP STRATEGIC REPORT
for the year ended 31 March 2023

The group financial statements have been prepared under UK-adopted International Financial Reporting Standards (IFRS). The group results for the year ended 31st March 2023 report a total comprehensive loss after tax of (£1,764,377). The group has total equity of £6,333,337 and total cash and equivalent balances of £4,600,770.

There are no plans to change the nature of the activities undertaken within the group, although consideration will be given to opportunities that complement the existing business's and where a business case supports their investment.

A summary of the Group's key performance indicators are as follows:

	Year ended 31.3.23	Year ended 31.3.22
Revenue	£33.7m	£12.7m
Gross Margin	28%	27%
Net Profit Margin	-5.75%	-4.9%

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties that the Group is exposed to are listed below along with the approach to mitigate these risks.

- Political global environment - The subsidiary companies operate in waste & environment (construction) and in leisure, both of which are sensitive to the geopolitical global environment and may be impacted by matters outside the control of the operating companies of CMH. The Board shall monitor these matters and impacts to performance of CMH, mitigate wherever possible, and report the same to the Shareholder Committee from time to time as appropriate.

- Sector specific risks - The hotel sector operates in a cyclical marketplace, a weakening in demand or an increase in market room supply can lead to a downward pressure on the room rates and in turn a negative impact on the operational performance. This is closely monitored by the management team and sales teams to ensure we consider the rooms rates alongside occupancy and the overall impact on revenue.

- Capital risks - the vision and objectives for CMH includes growth of the portfolio of activity of CMH and its subsidiaries in a risk balanced manner through organic growth, further acquisition and investment in business process and infrastructure. There is a risk that there is insufficient capital to take these opportunities forward. One objective for CMH is to explore the possibility of setting up an investment fund to support the group to provide resource to meet the growth aspirations alongside the subsidiaries seeking to secure capital through their own financial channels. This remains an objective in 2024/25.

- Financial risk - the impact of Covid and current inflationary cost pressures will have an impact on the leisure and waste market. All subsidiaries monitor their cashflow on a regular basis to ensure they have sufficient resources to meet the operational requirements. This information is shared with the respective Board of Directors for each company on a regular basis. Where possible the impact of inflationary increases is passed to customers and pricing is reviewed to consider the cost associated with delivery when setting pricing and forecasting the revenue position.

SECTION 172(1) STATEMENT
The Directors for the CMH and the respective subsidiary companies have complied with their duties under Section 172(1) of the Companies Act, with their role as Director, any decisions they make and their behaviour promoting the success of the group for the benefit of their members. This includes consideration as the long-term consequences of any decision. The Board of Directors require a business case to support investment decisions and a clear understanding of the risks, benefits, and net financial impact.

All companies in the group consider the interests of their employees and the need to foster business relationships with suppliers, customers, and other key stakeholders. Tom White Waste Ltd rebranded the group in the previous year and continued to build on this in the current year focusing on three strands, people first, protect our plant and profit for purpose. NOHM is has been developed to be a strong hospitality brand which focuses on more than just operating Coombe Abbey Park Hotel but other hospitality contracts and ventures which would sit under this entity. In the year under review the group serviced contracts for Historic Coventry Trust and although this arrangement has now come to an end, they have secured contracts with iXL and Stoneleigh Abbey which will reflected in 2023/24 accounts.

All entities consider the impact of their operations on the community and environment and work to maintain high standards of business conduct at all levels.

FUTURE DEVELOPMENTS
Significant improvement in results has led us to reconsider the redevelopment of our Materials Recycling Facility ("MRF") at Tom White Waste Limited and instead focus on deriving further benefits via additional processing of our existing waste streams with a view to becoming a direct supplier of recovered fuel. The investment required to achieve this, whilst still significant, can be achieved via current cashflows and will negate the need to take additional loan facilities from Coventry City Council.

The group has continued to operate in 2023/24 and a budget has been agreed by the Board of Directors for 2024/25. The flood experienced at Coombe Abbey Hotel in March 23, led to 39 bedrooms being out of action for a period of 3 months. Although the business was able to recover the costs incurred through insurance in place, including business interruption for a proportion of lost revenue, the teams have had to work hard to ensure the impact of the flood has not adversely affected the revenue position in 2023/24 and the reputation of the business.

ON BEHALF OF THE BOARD:

Mr A J Walster - Director

23 May 2024

REPORT OF THE DIRECTORS
for the year ended 31 March 2023

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2023.

PRINCIPAL ACTIVITY
The principal activity of Coventry Municipal Holdings Limited (CMH) is to hold and manage the wholly owned arm's length investments made by Coventry City Council.

The principal activities of the subsidiaries in the group have remained the same throughout the period, with Tom White Waste Limited (TWW) focusing on waste management and recycling services and Coombe Abbey Park Limited (CAPL) focusing on the hospitality and the leisure sector.

The group includes the following companies:
- Tom White Waste Limited (TWW) and subsidiaries: A&M Metals & Waste Ltd, Tom White Waste (LACo) Ltd
- Coombe Abbey Park Limited (CAPL) and subsidiaries: No Ordinary Hospitality Management (NOHM), Coombe Abbey Park (LACo) Ltd
- Coventry Technical Resources Limited (CTR)
- Coventry Regeneration Limited (CR)
- No Ordinary Hotels Limited

The company's activities include providing excellent governance across its own activities and those of its subsidiaries. CMH will ensure consistency in reporting, transparency in operations and strong management of the Council's investments, working closely with the subsidiary companies to deliver the outcomes and financial performance approved in the company Business Plans.

CMH will derive value from commercial activity within the subsidiary companies in line with the strategic corporate objectives that may be used to off-set budget pressures and enhance services delivered by Coventry City Council and seek to grow the activity of the group in line with the company vision and objectives.

DIVIDENDS
No dividends will be paid out for the year ended 31 March 2023.

RESEARCH AND DEVELOPMENT
No specific research and development activities have been undertaken during the year.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

Mr P Fahy
Mr G W McKelvie
Mrs P Mudhar
Ms K G Nelson
Mr A J Walster

FINANCIAL INSTRUMENTS

The subsidiaries in the group hold or issue financial instruments to finance their operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations in TWW and CAPL group are financed by a mixture of retained profits, finance leases and long-term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £1.5m that can be accessed at commercial rates. The Council provided CMH with a one-off working capital grant to support the operation of the company when it was incorporated.

The Council also approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year.

Liquidity risk

A 13-week cashflow is shared with the Board of Directors for Tom White and CAPL to highlight the financial impact of the forecast operational performance and to inform any management action that maybe required. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Credit risk

The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs.

With regards to bank loans and leases both Tom White and CAPL meet the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses. Tom White's have regular meetings with their lender and providers of capital asset financing.

POLITICAL DONATIONS AND EXPENDITURE

During the year under review and the previous period the group did not make any donations for political purposes.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Directors' and Officers' Liability Insurance policy covers damages and costs arising from any 'wrongful act' by the Directors. Wrongful act covers libel, slander, error, misstatement, misleading statement, misrepresentation, omission, neglect, breach of warranty of authority or other act attempted or committed by any or all of the Directors when acting or serving in that capacity. The limit of indemnity is £5m.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION & ENERGY EFFICIENCY

The group is taking steps to reduce energy consumption, waste and increase recycling. The core values for Tom White Waste Limited support this with Protect Our Planet being at the heart of how the business operates. Tom white has recovered more than 103,000 tonnes of material in 2023/4 in the UK.

Additionally, this year Tom White increased process efficiency within its production facilities increasing throughput by 17% with no increase in power demand. Further, steps have been taken to reduce electricity consumption with the mothballing of one production area.

Other actions have included replacement lighting for LED lights and the investment in an umbilically tethered electric mobile shredder.

Fuel consumption for transportation is not measured or reported in KWhrs. Steps have been taken to increase energy efficiency with 89% of the fleet vehicles utilising Euro 6 compliant power trains. All ICE powered vehicles have been removed from the group Car fleet and vans will be added to this once they come up for renewal. To confirm, all group cars are now full electric, or hybrid and the group has introduced a salary sacrifice car scheme to further the uptake of EVs.

TWW is due to undertake its next CO2e assessment this year and will report on the improvements made.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis and have considered the following factors in their assessment of going concern.

The Directors of CMH have considered the financial performance of the Company and wider group; along with the market they operate in and any potential plans for development. In addition to this, the risk register for each company has been reviewed along with the mitigating actions. This review supports the Directors assessment, that the going concern basis is appropriate. There are no material uncertainties that the Directors are aware of that should be considered as part of this assessment.

The companies each prepare a detailed budget for the next 12 months and in some cases a 3-year financial forecast, as part of their Business Plan. This key document is referred to throughout the year to consider if the companies are on track to meet their forecast performance. The Business Plan for the CMH group is approved by the Shareholder Committee each year ahead of the new financial year and then a financial performance report is presented following the year end to support the year end position and any variation from the Business Plan explained along with any proposed actions. This alongside the cashflow which is monitored on a daily or weekly basis is used to determine if there are sufficient funds available to demonstrate that the business is of going concern. The budget and business plans for the group for 2023/24 and 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet).

The Council has provided a letter of support confirming that if required, the Council would provide financial support to the Coombe Abbey group, including deferral of loan repayments and lease liability payments. The Directors do not foresee the business having to request such support.

All businesses have been able to meet their current obligations on existing loans and lease commitments. These have been met in the period under review and payments will continue to be made in line with the agreements. For Coombe Abbey, the rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet for CAPL includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application. The business has set funds aside as part of the cashflow projections to ensure it can meet this liability.

The group has a strong cash position, which at the year-end was £4.6m. The cash position is shared with the respective company Board of Directors on a weekly basis and formally discussed as a 13-week position at each Board meeting. At the year end TWW group had un-utilised banking facilities available and cash and cash equivalents of £0.473m and Coombe Abbey group has £1.305m.

The Coombe Abbey group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity in 2023/24. This investment is supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.

To support the business and provide greater levels of challenge and scrutiny, each Board of Directors has a Non-Executive Director. Coombe Abbey group have appointed a sector specialist as a Non-Executive Director to the Board for all their companies. The post holder brings commercial expertise and ideas for growth alongside the overview of the current operation of the business and was in post following the date under review.

ENGAGEMENT WITH EMPLOYEES
CMH have complied with the equal opportunities policies of the Council, as the ultimate owner of the Company, that in summary are:
- Everybody should have an equal opportunity to contribute to and benefit from society.
- A diverse community is a positive asset to the City.

The employees in the group are aware of the strong links back to the Council and that any profits paid back as dividends would be utilised within the public sector to deliver front line services "profit with a purpose". The entities undertake briefings to share information that would affect employees and any changes in the business operation they should be aware of to undertake their role or the direction of travel for the organisation.

Disabled employees
CMH does not currently have any disabled employees. The Employee Handbook supports the employment of people with disabilities and where possible the group will consider what reasonable adjustments or support may be appropriate.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS
CMH's standard terms of payment are the same as Coventry City Council's i.e. 30 days from the date payment is due, receipt of invoice or delivery of goods, whichever is the later. Alternative payment terms are only made if specifically demanded for contractual purposes.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 UK-adopted international accounting standards. 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

REPORT OF THE DIRECTORS
for the year ended 31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr A J Walster - Director

23 May 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COVENTRY MUNICIPAL HOLDINGS LIMITED

Opinion

We have audited the financial statements of Coventry Municipal Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the UK;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on pages eight and nine, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to designing audit procedures by tailoring and directing testing to aid and support the determined level of risk. In response, the procedures we perform to determine the level of risk include:

- Reference to past history and experience of the Entity
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Entity's procedures relating to:
  - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud
  - assessment of the controls and processes that the Entity has in place to mitigate risk

Our assessments included the identification of the following potential areas for fraud:

- Management override of control
- Revenue recognition

We design audit procedures by tailored and directed testing to aid and support the determined level of risk. In response to the assessed risk we plan audit tests and procedures that target specific areas where misstatement may occur. These procedures and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We critically assessed the appropriateness and tested the application of the revenue and cost recognition policies
- We assessed the appropriateness of accounting journals and other adjustments made in the preparation of the financial statements
- We reviewed the Entity's accounting policies for non-compliance with relevant standards.
- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations

In performing an audit in accordance with UK-adopted international accounting standards and the Companies Act, we exercise professional judgement and maintain professional scepticism throughout the audit process.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
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 a Report of the Auditors 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.

Mr Ashwani Rishiraj FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

Date: 23rd May 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2023

	Notes	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
CONTINUING OPERATIONS			
Revenue	4	33,703,956	12,750,859
Cost of sales		(24,109,375)	(9,309,702)
GROSS PROFIT		9,594,581	3,441,157
Other operating income	5	534,107	372,547
Administrative expenses		(10,536,322)	(3,953,470)
OPERATING LOSS		(407,634)	(139,766)
Finance costs	8	(1,533,409)	(486,952)
Finance income	8	676	-
LOSS BEFORE INCOME TAX	9	(1,940,367)	(626,718)
Income tax	11	(214,230)	(156,366)
LOSS FOR THE YEAR		(2,154,597)	(783,084)
OTHER COMPREHENSIVE INCOME			
Item that will not be reclassified to profit or loss:			
Revaluation of Leasehold land and buildings		390,220	-
Income tax relating to item that will not be reclassified to profit or loss		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		390,220	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(1,764,377)	(783,084)
Profit attributable to:			
Owners of the parent		(2,154,597)	(783,084)
Total comprehensive income attributable to:			
Owners of the parent		(1,764,377)	(783,084)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 March 2023

	Notes	2023 £	2022 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	17,201,555	17,626,414
Right-of-use			
Property, plant and equipment	13, 22	20,494,839	17,575,621
Investments	14	-	-
		37,696,394	35,202,035
CURRENT ASSETS			
Inventories	15	75,977	71,350
Trade and other receivables	16	4,722,185	4,747,864
Tax receivable		509,276	509,276
Cash and cash equivalents	17	4,600,770	5,048,307
		9,908,208	10,376,797
TOTAL ASSETS		47,604,602	45,578,832
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	20,198,503	20,198,503
Revaluation reserve	19	390,220	-
Merger reserve	19	(11,467,705)	(11,467,705)
Capital contribution reserve	19	150,000	150,000
Retained earnings	19	(2,937,681)	(783,084)
TOTAL EQUITY		6,333,337	8,097,714
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	29,290,995	26,394,378
Deferred tax	24	1,248,711	1,034,481
		30,539,706	27,428,859
CURRENT LIABILITIES			
Trade and other payables	20	7,631,728	7,470,954
Contract liabilities	4	950,134	628,155
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	2,149,697	1,802,033
Tax payable		-	151,117
		10,731,559	10,052,259
TOTAL LIABILITIES		41,271,265	37,481,118
TOTAL EQUITY AND LIABILITIES		47,604,602	45,578,832

The financial statements were approved by the Board of Directors and authorised for issue on 23 May 2024 and were signed on its behalf by:

Pkhodhe

The notes form part of these financial statements

continued...

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued
31 March 2023

PKMudhar

Mrs P Mudhar - Director

COMPANY STATEMENT OF FINANCIAL POSITION
31 March 2023

	Notes	2023 £	2022 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	-	-
Right-of-use			
Investments	14	14,215,002	18,680,002
		14,215,002	18,680,002
CURRENT ASSETS			
Trade and other receivables	16	7,937	124,272
Cash and cash equivalents	17	153,352	88,763
		161,289	213,035
TOTAL ASSETS		14,376,291	18,893,037
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	20,198,503	20,198,503
Capital contribution reserve	19	150,000	150,000
Fair value reserve	19	(5,983,500)	(1,518,500)
Retained earnings	19	(31,100)	4,923
TOTAL EQUITY		14,333,903	18,834,926
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	42,388	58,111
TOTAL LIABILITIES		42,388	58,111
TOTAL EQUITY AND LIABILITIES		14,376,291	18,893,037

The financial statements were approved by the Board of Directors and authorised for issue on 23 May 2024 and were signed on its behalf by:

PMudhar

Mrs P Mudhar - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2023

	Called up share capital £	Retained earnings £	Revaluation reserve £
Changes in equity			
Issue of share capital	20,198,503	-	-
Total comprehensive income	-	(783,084)	-
Balance at 31 March 2022	20,198,503	(783,084)	-
Changes in equity			
Total comprehensive income	-	(2,154,597)	390,220
Balance at 31 March 2023	20,198,503	(2,937,681)	390,220

	Merger reserve £	Capital contribution reserve £	Total equity £
Changes in equity			
Issue of share capital	-	-	20,198,503
Total comprehensive income	-	-	(783,084)
Business combination	(11,467,705)	-	(11,467,705)
Capital contribution	-	150,000	150,000
Balance at 31 March 2022	(11,467,705)	150,000	8,097,714
Changes in equity			
Total comprehensive income	-	-	(1,764,377)
Balance at 31 March 2023	(11,467,705)	150,000	6,333,337

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2023

	Called up share capital £	Retained earnings £	Capital contribution reserve £	Fair value reserve £	Total equity £
Changes in equity					
Issue of share capital	20,198,503	-	-	-	20,198,503
Total comprehensive income	-	4,923	-	(1,518,500)	(1,513,577)
Capital contribution	-	-	150,000	-	150,000
Balance at 31 March 2022	20,198,503	4,923	150,000	(1,518,500)	18,834,926
Changes in equity					
Total comprehensive income	-	(36,023)	-	(4,465,000)	(4,501,023)
Balance at 31 March 2023	20,198,503	(31,100)	150,000	(5,983,500)	14,333,903

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2023

	Notes	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	2,358,606	735,043
Interest paid		(614,923)	(33,978)
Lease interest paid		(1,079,114)	(302,021)
Tax paid		(149,342)	(20,034)
Net cash from operating activities		515,227	379,010
Cash flows from investing activities			
Purchase of tangible fixed assets		(542,559)	(576,766)
Sale of tangible fixed assets		371,500	18,041
Business combination		-	4,531,241
Interest received		676	-
Net cash from investing activities		(170,383)	3,972,516
Cash flows from financing activities			
New loans in year		1,153,000	2,124,345
Loan repayments in year		(523,398)	(1,011,160)
Other Creditors		-	(82,606)
Bank loan repayments		-	(60,014)
Payment of lease liabilities		(1,421,983)	(423,784)
Capital contribution		-	150,000
Net cash from financing activities		(792,381)	696,781
(Decrease)/increase in cash and cash equivalents		(447,537)	5,048,307
Cash and cash equivalents at beginning of year	2	5,048,307	-
Cash and cash equivalents at end of year	2	4,600,770	5,048,307

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2023

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Loss before income tax	(1,940,367)	(626,718)
Depreciation charges	2,443,167	863,686
Profit on disposal of fixed assets	(121,910)	(18,041)
Government grants	-	(5,953)
Finance costs	1,533,409	486,952
Finance income	(676)	-
	1,913,623	699,926
Increase in inventories	(4,627)	(21,186)
Increase in trade and other receivables	(45,534)	(800,506)
Increase in trade and other payables	173,165	228,654
Increase in contract liabilities	321,979	628,155
Cash generated from operations	2,358,606	735,043

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2023

	31.3.23 £	1.4.22 £
Cash and cash equivalents	4,600,770	5,048,307

Period ended 31 March 2022

	31.3.22 £	26.10.21 £
Cash and cash equivalents	5,048,307	-

The notes form part of these financial statements

1. STATUTORY INFORMATION

Coventry Municipal Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

Reporting period
These financial statements are prepared for the year ended 31 March 2023. The comparative results are for the period 26 October 2021, being the date of incorporation, to 31st March 2022.

The principal accounting policies adopted are set out below.

Going concern
The directors have prepared the financial statements on the going concern basis and have considered the following factors in their assessment of going concern.

The Directors of CMH have considered the financial performance of the Company and wider group; along with the market they operate in and any potential plans for development. In addition to this, the risk register for each company has been reviewed along with the mitigating actions. This review supports the Directors assessment, that the going concern basis is appropriate. There are no material uncertainties that the Directors are aware of that should be considered as part of this assessment.

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The Council has provided a letter of support confirming that if required, the Council would provide financial support to the Coombe Abbey group, including deferral of loan repayments and lease liability payments. The Directors do not foresee the business having to request such support.

All businesses have been able to meet their current obligations on existing loans and lease commitments. These have been met in the period under review and payments will continue to be made in line with the agreements. For Coombe Abbey, the rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet for CAPL includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application. The business has set funds aside as part of the cashflow projections to ensure it can meet this liability.

The group has a strong cash position, which at the year-end was £4.6m. The cash position is shared with the respective company Board of Directors on a weekly basis and formally discussed as a 13-week position at each Board meeting. At the year end TWW group had un-utilised banking facilities available and cash and cash equivalents of £0.473m and Coombe Abbey group has £1.305m.

The Coombe Abbey group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity in 2023/24. This investment is supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.

To support the business and provide greater levels of challenge and scrutiny, each Board of Directors has a Non-Executive Director. Coombe Abbey group have appointed a sector specialist as a Non-Executive Director to the Board for all their companies. The post holder brings commercial expertise and ideas for growth alongside the overview of the current operation of the business and was in post following the date under review.

Basis of consolidation

The group's financial statements incorporate the results, cash flows, assets and liabilities of Coventry Municipal Holdings Limited and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

Business combinations for entities under common control are recognised using the predecessor value method (Merger Accounting). The assets and liabilities of the entities acquired are consolidated using their respective carrying values at the date of acquisition. Any difference between the carrying values of net assets and fair value of consideration is shown as a deduction in equity within a Merger reserve. If the consideration is lower than the carrying amount of the net assets, this is recognised as a contribution to equity.

Subsidiaries

Subsidiaries are entities controlled by the group. The group control's an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

In the individual entity financial statements interests in subsidiaries are measured at fair value through other comprehensive income

2. ACCOUNTING POLICIES - continued

Revenue recognition
Revenue is recognised at the fair value of the consideration received or receivable net of VAT and trade discounts. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The policies adopted for the recognition of revenue are as follows:

Sale of goods
Revenue from the sale of goods are recognised when control of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. This is usually on dispatch of the goods.

Rendering of services
Revenue from providing services, where performance obligations are satisfied over time, is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule which has usually been set to be broadly aligned with the volume of work performed. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Other operating income
Other operating income relates to joint ventures operations. Where the company has a long term interest and shares control under a contractual arrangement over an economic activity which uses the company's assets and resources but is not set up in a separate entity, the company recognises its assets, liabilities and expenses and a share of income earned from the jointly controlled operation.

Dividend and interest income
Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established. Each is then shown separately in the statement of profit or loss and other comprehensive income.

Cash and cash equivalents
Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

continued...

2. **ACCOUNTING POLICIES - continued**

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.

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:

Freehold Land and buildings	-	2% straight line basis
Assets under construction	-	not depreciated as not yet in use
Leasehold Land and buildings	-	over period of the lease or 50 years straight line basis
Improvements to property	-	over the period of the lease
Plant and machinery	-	3 - 20 years straight line basis
Fixtures and fittings	-	3 - 10 years straight line basis
Motor vehicles	-	3 - 10 years straight line basis or 25% reducing balance

Depreciation begins when the asset is available for use and continues until the asset is derecognised, even if it is idle.

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 and loss.

Leasehold land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation and impairment for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of tangible and intangible assets other than goodwill
At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated, which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

In estimating the fair value of an asset, the entity uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the entity engages qualified third-party valuers to perform such valuations. The Board of Directors work with these valuers to establish an appropriate technical approach, understanding of the asset and to establish the inputs.

continued...

2. **ACCOUNTING POLICIES - continued**

Value in use is calculated using estimated cash flows. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation/amortisation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of profit or loss and other comprehensive income as an impairment loss.

Financial instruments
Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss) are added to or deducted from the fair value as appropriate, on initial recognition.

Financial assets
Financial assets are subsequently classified into the following specified categories:
- financial assets at fair value through profit or loss, including held for trading;
- fair value through other comprehensive income; or
- amortised cost.

The classification depends on the nature and purpose of the financial asset (ie. the company's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

Financial assets are classified as at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are measured at amortised cost if they are held within a business mode whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss.

Equity investments
In the individual entity financial statements, investments in subsidiaries are recognised at fair value through other comprehensive income. Gains and losses are recognised in other comprehensive income and credited to the fair value reserve.

A subsidiary is a company controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Financial liabilities
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities at amortised cost, which are measured using the effective interest method. At present the company does not have any financial liabilities at FVTPL.

continued...

2. **ACCOUNTING POLICIES - continued**

Fair values
Fair value is the amounts for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the financial statements.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the debt instrument, or a shorter period, on the net carrying amount on initial recognition.

Inventories
Inventories are stated at the lower of cost or net realisable value. Cost is determined on a first in first out (FIFO) basis. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation.

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the statement of profit or loss and other comprehensive income.

Leases
The company applies IFRS 16 Leases. Accordingly, leases are all accounted for in the same manner:
- A right of use asset and lease liability is recognised on the statement of financial position, initially measured at the present value of future lease payments;
- Depreciation of right-of-use assets and interest on lease liabilities are recognised in the statement of comprehensive income;
- The total amount of cash paid is recognised in the statement of cash flows, split between payments of principal (within financing activities) and interest (also within financing activities).

The initial measurement of the right of use asset and lease liability takes into account the value of lease incentives such as rent-free periods.

The costs of leases of low value items and those with a short term at inception are recognised as incurred.

continued...

2. **ACCOUNTING POLICIES - continued**

Employee benefit costs
The company's contributions to defined contribution plans are charged to the statement of profit or loss and other comprehensive income in the period to which the contributions relate.

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

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

Provisions
Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The following judgements (apart from those involving estimates) have been made in the process of applying the accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Accruals
Estimation is required in determining an appropriate amount to accrue in respect of uninvoiced expenses. The amounts accrued are based on management's best estimate of such costs after considering works performed to the year-end date.

Deferred Tax Asset
The group has tax losses available for offset against future trading profits of approximately £12m at 31st March 2023. A deferred tax asset in respect of these losses of £2.7m has not been recognised as the expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition in future trading years.

continued...

4. REVENUE

Revenue from contracts with customers
The group generates revenue primarily from Waste Management and recycling services and Hospitality services.

	2023	2022
	£	£
Rendering of services	27,405,511	10,499,984
Sale of goods	6,298,445	2,250,875
	33,703,956	12,750,859

Disaggregation of revenue
The following table shows revenue from contracts with customers disaggregated by major products and service lines. All revenues are generated in the UK.

Major Service lines	2023	2022
	£	£
Waste management and recycling	21,567,958	8,397,249
Accommodation	3,230,762	1,203,128
Food, beverages and catering	6,298,445	2,250,875
Room and marquee hire	905,071	238,670
Management services	664,972	434,462
Other services	1,036,748	226,475
	33,703,956	12,750,859

Timing of Revenue Recognition:	2023	2022
	£	£
Revenue recognised at a point in time	33,038,984	12,316,398
Revenue recognised over time	664,972	434,461
	33,703,956	12,750,859

The performance obligations from waste management and recycling revenues are satisfied at a point in time which is generally on collection of waste from customers. This relates to the roll on, roll off service, skips, trade waste revenue and revenue from the inbound gate. Invoices are raised on the date the service is completed and are usually payable within 30 days. For some customers namely for domestic skip hire, payment for hire of the skip would be collected in advance of the service being provided.

The performance obligations from accommodation revenues are satisfied at a point in time when the rooms are occupied by customers. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms.

The performance obligations from food, beverage and catering revenues are recognised at a point in time when the goods are transferred to the buyer. Invoices for food and beverage revenues are raised on the date the goods are transferred and are usually payable immediately with no payment terms. Invoices for catering revenues are partially raised in advance of services resulting in a Contract Liability as shown below, with the remaining balance being invoiced on completion of service and payable immediately.

The performance obligations from room hire and marquee revenues are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms.

continued...

For larger corporate events, the performance obligations are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable within 30 days. For weddings the performance obligations are satisfied in advance of the event, with deposits taken at the point of booking and the balance settled before the event. With any additional costs incurred on the day being satisfied at a point in time when the services are provided.

The performance obligations from Management services are satisfied over time as the services are provided. Invoices are usually raised the month the service is provided and payable within 30 days.

Contract balances

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Receivables included in "Trade and other receivables"	4,038,489	3,805,031

Contract liabilities		
Current		
Deferred income	950,134	628,155

A trade receivable is recognised when the group has issued an invoice and has unconditional right to receive payment. The invoice is typically issued as the performance obligations are satisfied.

Deferred income is recognised when payment is received from customers before the respective performance obligation is satisfied.

5. OTHER OPERATING INCOME

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Rents received	16,250	-
Other income	460,987	366,594
Management charges	56,870	-
Government grants	-	5,953
	534,107	372,547

6. EMPLOYEES AND DIRECTORS

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Wages and salaries	11,243,472	2,924,366
Social security costs	1,359,617	519,029
Other pension costs	265,932	54,666
	12,869,021	3,498,061

continued...

6. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	Year Ended 31.3.23	Period 26.10.21 to 31.3.22
Directors	11	6
Finance and administration	29	39
Management and administration	27	26
Hospitality operations	304	168
Waste management & recycling operations	172	94
Business development	5	5
	548	338

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Directors' remuneration	540,971	168,139
Directors' pension contributions to money purchase schemes	30,113	3,159

Information regarding the highest paid director for the year ended 31 March 2023 is as follows:

	Year Ended 31.3.23 £
Emoluments etc	135,533

7. EXCEPTIONAL ITEMS

Exceptional items of £322,967 include costs for investigating and planning a proposed new re-development of the Coombe Abbey Hotel, and professional fees for the proposed re-development of the Materials Recycling Facility ("MRF") at Tom White Waste Limited. It was subsequently decided that both re-development projects would not go ahead.

8. NET FINANCE COSTS

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Finance income:		
Interest income	676	-

8. NET FINANCE COSTS - continued

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Finance costs:		
Bank interest	-	31
Bank loan interest	150,830	14,324
Loan interest	471,574	170,576
Late payment interest	5,555	-
Hire purchase	91,447	12,085
Leasing	814,003	289,936
	1,533,409	486,952
Net finance costs	1,532,733	486,952

9. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging/(crediting):

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Leases	50,884	-
Depreciation - owned assets	1,315,041	596,047
Depreciation - assets on hire purchase and finance lease	1,128,126	267,639
Profit on disposal of fixed assets	(121,910)	(18,041)
Government grants	-	5,953

10. AUDITORS' REMUNERATION

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	74,660	39,785
Total audit fees	74,660	39,785
Taxation compliance services	7,101	1,708
Total non-audit fees	7,101	1,708
Total fees payable	81,761	41,493

continued...

11. INCOME TAX

Analysis of tax expense

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Current tax:		
Tax	-	1,775
Adjustment in respect of prior periods	-	(350,220)
Total current tax	-	(348,445)
Deferred tax	214,230	504,811
Total tax expense in consolidated statement of profit or loss and other comprehensive income	214,230	156,366

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Loss before income tax	(1,940,367)	(626,718)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	(368,670)	(119,076)
Effects of:		
Effect of change in corporation tax rate	(22,952)	-
Effect of capital allowances in excess of depreciation	(31,196)	504,811
Effect of depreciation on assets not qualifying for tax allowances	23,789	-
Effect of revenue items capitalised	(8,193)	55,819
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	620,114	(285,188)
Effect of expenses that are not deductible in determining taxable profit	1,338	-
Tax expense	214,230	156,366

12. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(36,023) (2022 - £4,923 profit).

continued...

13. PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold Land and buildings £	Assets under construction £	Leasehold Land and buildings £	Improvements to property £
COST OR VALUATION				
At 1 April 2022	5,972,903	195,626	22,235,534	-
Additions	3,476	-	2,655,293	293,007
Disposals	-	-	-	-
Revaluations	-	-	390,220	-
Reclassification	-	(195,626)	-	-
At 31 March 2023	5,976,379	-	25,281,047	293,007
DEPRECIATION				
At 1 April 2022	47,191	-	191,052	-
Charge for year	117,542	-	610,274	48,834
Eliminated on disposal	-	-	-	-
At 31 March 2023	164,733	-	801,326	48,834
NET BOOK VALUE				
At 31 March 2023	5,811,646	-	24,479,721	244,173
At 31 March 2022	5,925,712	195,626	22,044,482	-

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 April 2022	3,837,127	930,132	2,857,455	36,028,777
Additions	848,297	123,887	916,582	4,840,542
Disposals	(634,000)	(266,732)	(82,448)	(983,180)
Revaluations	-	-	-	390,220
Reclassification	362,758	(167,132)	-	-
At 31 March 2023	4,414,182	620,155	3,691,589	40,276,359
DEPRECIATION				
At 1 April 2022	275,773	68,424	244,302	826,742
Charge for year	850,080	195,127	621,310	2,443,167
Eliminated on disposal	(407,400)	(223,086)	(59,458)	(689,944)
At 31 March 2023	718,453	40,465	806,154	2,579,965
NET BOOK VALUE				
At 31 March 2023	3,695,729	579,690	2,885,435	37,696,394
At 31 March 2022	3,561,354	861,708	2,613,153	35,202,035

continued...

13. PROPERTY, PLANT AND EQUIPMENT - continued

Group

Coventry City Council hold a fixed and floating charge over leasehold property known as Coombe Abbey , Brinklow Road, Binley, Coventry, CV3 2AB, land registry title WK447538 and a floating charge on all undertakings of Coombe Abbey Park Limited.

Leasehold land and buildings, Plant and Machinery and Motor Vehicles include right-of-use assets as shown in note 22.

Cost or valuation at 31 March 2023 is represented by:

	Freehold Land and buildings £	Leasehold Land and buildings £	Improvements to property £
Valuation in 2023	-	390,220	-
Cost	5,976,379	24,890,827	293,007
	5,976,379	25,281,047	293,007

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2023	-	-	-	390,220
Cost	4,414,182	620,155	3,691,589	39,886,139
	4,414,182	620,155	3,691,589	40,276,359

The leasehold land and buildings were independently valued on a fair value basis at 31st March 2023 by a member of the Royal Institute of Chartered Surveyors. At 31st March 2022 the fair value of the leasehold land and buildings was not materially different to the carry value.

14. INVESTMENTS

Company

	Shares in group undertakings £
COST OR VALUATION	
At 1 April 2022	18,680,002
Revaluations	(4,465,000)
At 31 March 2023	14,215,002
NET BOOK VALUE	
At 31 March 2023	14,215,002
At 31 March 2022	18,680,002

continued...

14. **INVESTMENTS - continued**

Company

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Tom White Waste Limited
Registered office: Unit 13a Stonebrook Way, Longford, Coventry, West Midlands, CV6 6LN
Nature of business: Waste management and recycling

Class of shares:	% holding
Ordinary	100.00

	2023 £	2022 £
Aggregate capital and reserves	3,024,887	3,264,343
Loss for the year/period	(252,593)	(641,040)

Coombe Abbey Park Limited
Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, West Midlands, England, CV3 2AB
Nature of business: Hotels and hospitality services

Class of shares:	% holding
Ordinary shares	100.00
Deferred shares	100.00

	31.3.23 £	2022 £
Aggregate capital and reserves	493,456	1,729,280
Loss for the period/year	(1,553,751)	(237,660)

Coventry Regeneration Limited
Registered office: C/O Room 56 Council House, Earl Street, Coventry, England, CV1 5RR
Nature of business: Property development

Class of shares:	% holding
Ordinary	100.00

	2023 £	2022 £
Aggregate capital and reserves	141	48
Profit for the year/period	93	1

Coventry Technical Resources Limited
Registered office: C/O Room 56 Council House, Earl Street, Coventry, England, CV1 5RR
Nature of business: Resource solutions services

Class of shares:	% holding
Ordinary	100.00

	2023 £	2022 £
Aggregate capital and reserves	2,770,429	2,763,071
Profit for the year/period	7,358	5,571

continued...

14. INVESTMENTS - continued

Company

No Ordinary Hotels Limited
Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, England, CV3 2AB
Nature of business: Hotels and similar accommodation

Class of shares:	% holding
Ordinary	100.00

	2023 £	2022 £
Aggregate capital and reserves	2	2

Investments in subsidiaries were independently valued on a fair value basis at 31st March 2023 and 31st March 2022. Gains and losses are recognised in other comprehensive income and credited to the fair value reserve.

15. INVENTORIES

	Group 2023 £	Group 2022 £
Finished goods and goods for resale	75,977	71,350
	75,977	71,350

16. TRADE AND OTHER RECEIVABLES

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Current:				
Trade debtors	4,038,489	3,805,031	2,054	-
Amounts owed by group undertakings	-	71,213	-	117,272
Other debtors	169,775	274,526	-	-
Prepayments and accrued income	513,921	597,094	5,883	7,000
	4,722,185	4,747,864	7,937	124,272

17. CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash in hand	5,136	5,833	-	-
Bank accounts	4,595,634	5,042,474	153,352	88,763
	4,600,770	5,048,307	153,352	88,763

continued...

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
20,198,503	Ordinary	£1	20,198,503	20,198,503

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

19. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Merger reserve £	Capital contribution reserve £	Totals £
At 1 April 2022	(783,084)	-	(11,467,705)	150,000	(12,100,789)
Deficit for the year	(2,154,597)				(2,154,597)
Revaluation of leasehold land and buildings	-	390,220	-	-	390,220
At 31 March 2023	(2,937,681)	390,220	(11,467,705)	150,000	(13,865,166)

Company

	Retained earnings £	Capital contribution reserve £	Fair value reserve £	Totals £
At 1 April 2022	4,923	150,000	(1,518,500)	(1,363,577)
Deficit for the year	(36,023)			(36,023)
Revaluation of investments	-	-	(4,465,000)	(4,465,000)
At 31 March 2023	(31,100)	150,000	(5,983,500)	(5,864,600)

Capital Contribution
The capital contribution reserve relates to contributions to the equity capital of the group, without issue of share capital. On 5th November 2021, Coventry Municipal Holdings Ltd received a capital contribution from Coventry City Council, the parent entity and ultimate controlling party. The purpose of the capital contribution was to fund working capital requirements of Coventry Municipal Holdings Ltd.

Merger Reserve
The merger reserve relates to business combinations under common control during the period, as stated below.

Fair Value Reserve
The fair value reserve relates to movements in fair value of investments in subsidiaries recognised at fair value through other comprehensive income.

continued...

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Current:				
Trade creditors	2,934,794	4,539,485	-	-
Amounts owed to group undertakings	503,882	516,273	-	16,271
Social security and other taxes	2,275,618	722,837	22,017	22,154
Other creditors	218,292	75,973	2,069	1,136
Accruals and deferred income	1,699,142	1,616,386	18,302	18,550
	7,631,728	7,470,954	42,388	58,111

21. FINANCIAL LIABILITIES - BORROWINGS

	Group	
	2023	2022
	£	£
Current:		
Bank loans	300,840	216,624
Other loans	592,010	479,171
Leases (see note 22)	1,256,847	1,106,238
	2,149,697	1,802,033
Non-current:		
Bank loans - 1-2 years	2,931,265	3,087,039
Other loans - 1-2 years	8,349,931	7,819,941
Leases (see note 22)	18,009,799	15,487,398
	29,290,995	26,394,378

Terms and debt repayment schedule

Group

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Bank loans	300,840	300,840	902,520	1,727,905	3,232,105
Other loans	592,010	597,010	2,011,868	5,741,053	8,941,941
Leases	1,256,847	1,073,532	2,290,371	14,645,896	19,266,646
	2,149,697	1,971,382	5,204,759	22,114,854	31,440,692

continued...

21. **FINANCIAL LIABILITIES - BORROWINGS - continued**

Bank loans and overdrafts
The Bank loan is repaid in monthly instalments until March 2035 after which time the amount outstanding will be repayable in full. Interest on the loan is charged at 2.25% per annum above the Bank of England base rate.

Other Loans
Other loans represent amounts payable to Coventry City Council under loan agreements and are repayable in quarterly instalments with interest rates ranging from 5.15% to 6.75%. The loans are secured by way of a fixed charge against leasehold property and a floating charge on all undertakings of the Coombe Abbey Park Limited.

Secured debts:
Bank loans are secured by way of a fixed charge against property, plant and equipment of Tom White Waste Limited and a floating charge on all undertakings of Tom White Waste Limited.

Other loans are secured against Property, Plant and Equipment of the group as stated in note 13.

The Group's obligations under leases are secured by the lessors' title to the leased assets.

22. **LEASING**

Group
Right-of-use assets

Property, plant and equipment

	2023 £	2022 £
COST OR VALUATION		
At 1 April 2022	17,843,260	-
Additions	4,063,854	2,336,795
Disposals	(309,000)	-
Revaluations	247,519	-
Transfer to ownership	(79,295)	-
Acquisitions from business combination	-	15,506,465
	21,766,338	17,843,260
DEPRECIATION		
At 1 April 2022	267,639	-
Charge for year	1,128,126	267,639
Eliminated on disposal	(82,400)	-
Transfer to ownership	(41,866)	-
	1,271,499	267,639
NET BOOK VALUE	20,494,839	17,575,621

22. **LEASING - continued**

Group

Group
Other leases

	Year Ended 31.3.23 £	Period 26.10.21 to 31.3.22 £
Low-value assets leases	12,102	-
Variable lease payments	38,782	-

Group
Lease liabilities

Minimum lease payments fall due as follows:

	2023 £	2022 £
Gross obligations repayable:		
Within one year	2,231,603	1,868,306
Between one and five years	6,939,270	5,267,226
In more than five years	71,036,878	69,909,783
	80,207,751	77,045,315
Finance charges repayable:		
Within one year	974,756	762,068
Between one and five years	3,575,367	2,919,264
In more than five years	56,390,982	56,770,347
	60,941,105	60,451,679
Net obligations repayable:		
Within one year	1,256,847	1,106,238
Between one and five years	3,363,903	2,347,962
In more than five years	14,645,896	13,139,436
	19,266,646	16,593,636

continued...

22. LEASING - continued

Group

The Group leases Land and Buildings, Plant and Machinery and Motor Vehicles. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Leasehold Land and Buildings include a non-cancellable lease of the Coombe Abbey Hotel from Coventry City Council with a term of 125 years commencing November 2006. The lease payments are payable monthly in advance. The lease includes restrictions on the use of the asset.

In January 2022, the group entered into an agreement to lease land and buildings from Coventry City Council known as the War Memorial Park. The site includes two Cafes and an Ice Cream Kiosk. The minimum non-cancellable term of the lease is for the period commencing on 12th January 2022 and expiring on 31st May 2027. The lease includes restrictions on the use of the asset. The lease agreement includes variable lease payments based on revenues generated from the leased asset. The variable lease payments are not recognised in the lease liability.

In July 2022, the group entered into a ten-year lease agreement with a third party for open storage and ancillary site offices for annual minimum lease payments of £353,000. The lease liability is recognised in the financial statements at the present value of future minimum lease payments at 31 March 2023.

In February 2023, the group entered into a five-year sub-lease agreement with a third party to let part of the open storage site. The Group has classified the lease by reference to the right-of-use asset arising from the head lease and the sub-lease as lease income. During the term of the sub lease, the Group retains the lease liability and the right-of-use asset relating to the head lease in its statement of financial position, recognising depreciation charge for the right-of-use asset and interest on the lease liability and lease income from the sub lease. The leases include restrictions on the use of asset.

In the financial year, the group entered into a non-exclusive license agreement with Coventry City Council to access the land and property at St Mary's Guildhall for the purpose of managing the commercial operations of the site, as defined in the agreement. There are no lease payments due under the agreement which expires on 30th June 2024 and can be extended by up to 12 months on an annual basis.

Plant and machinery and Motor Vehicles include non-cancellable leases with terms ranging usually between one to five years. In some cases, the Group has entered into lease agreements ending in more than five years.

The weighted average incremental borrowing rate applied to measure lease liabilities during the period was 5.15%.

In the financial year, the group entered into a short term lease agreement where the right-of-use asset and corresponding lease liabilities has not been recognised in the statement of financial position. At 31st March 2023, total undiscounted lease payments due under this agreement is £8,334 (2022: £Nil).

continued...

23. FINANCIAL INSTRUMENTS

The Group holds or issues financial instruments to finance their operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations in Tom White Waste group (TWW) and Coombe Abbey Park group (CAPL) are financed by a mixture of retained profits, finance leases and term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £1.5m that can be accessed at commercial rates. Coventry City Council provided Coventry Municipal Holdings Ltd with a one-off working capital grant to support the operation of the company during the period.

Coventry City Council also approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

The group's main credit risk arises from trade debtors, being amounts owed by customers. The group offers credit terms to customers which are typically 30 days from invoice date.

The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The following table shows a maturity analysis of the group's trade debtors at 31st March 2023.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade debtors	4,038,489	2,644,041	615,142	310,755	468,551
	4,038,489	2,644,041	615,142	310,755	468,551

Liquidity risk
Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group aims to maintain sufficient levels of cash and cash equivalents to meet its obligations as they fall due.

A weekly cashflow is shared with the Board of Directors for Tom White and CAPL to highlight the financial impact of operational performance and to inform management of any action that maybe required. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Trade and other payables
The group monitors the level of expected cash inflows on trade and other receivables together with expected outflows on trade and other payables. At 31st March 2023, the expected inflows from trade debtors within 30 days was £2,644,041 and the expected outflows from trade creditors within 30 days was £1,659,107. The group holds cash reserves of £4,600,770 at the year end which is sufficient to enable the group to meet its expected cash outflows.

The following table shows a maturity analysis of the group's trade creditors at 31st March 2023.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade creditors	2,934,794	1,659,107	850,448	131,435	293,804
	2,934,794	1,659,107	850,448	131,435	293,804

Exposure to liquidity risk
The following table shows the contractual maturities of cash outflows of financial liabilities at the reporting date. The amounts are net and do not include contractual interest payments and exclude the impact of netting agreements.

	Total £	Less than 1 year £	1-2 years £	2-5 years £	More than 5 years £
Lease liabilities	19,266,646	1,256,847	1,073,532	2,290,371	14,645,896
Secured bank loans	3,232,105	300,840	300,840	902,520	1,727,905
Other loans	8,941,941	592,010	597,010	2,011,868	5,741,053
	31,440,692	2,149,697	1,971,382	5,204,759	22,114,854

With regards to bank loans and leases both Tom White Waste Ltd and Coombe Abbey Park Ltd meet the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses. Tom White Waste Ltd have regular meetings with their lender and providers of capital asset financing.

The group held cash and cash equivalents of £4,600,770 at 31st March 2023.

Coombe Abbey Park Limited has a line of credit amounting to £1,886,540 which can be accessed at commercial rates of which £1,500,000 relates to a working capital facility.

continued...

Market risk
Market risk is the risk that changes in market prices will affect the Groups income and expenditure or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Exposure to Interest rate risk
The group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the group to interest rate risk. Borrowings obtained at fixed rates expose the group to fair value risk.

Other loans
The interest rate on the current loans in place is fixed at the point the loans are drawn, mitigating exposure to interest rate risk.

Interest on Other Loans is charged at 4.5% per annum above the Bank of England base rate of interest. Other Loans represent amounts payable to Coventry City Council.

Bank loans
Interest on bank loans is charged at 2.25% per annum above the Bank of England base rate of interest.

At 31 March 2023 the Bank of England base rate was 4.25% compared to 0.75% at the previous reporting date. During the current financial year, there has been a series of further interest rate rises by the Bank of England. This is closely monitored by management and directors to ensure the group continues to meet its financial obligations for the foreseeable future. The directors will consider the impact of proposed changes in interest rate at each board meeting to assess the impact this will have on the available cash reserves to meet debt servicing costs alongside the impact on the forecast profits and consider the options available to best manage this.

Sensitivity Analysis: Secured Bank Loans

The following table shows a sensitivity analysis of how profit and loss would have been affected by changes in the interest rate on variable-rate instruments at the reporting date.

	Profit or Loss £	Equity £
Bank of England base rate at 6.0%	(120,185)	(203,003)
Bank of England base rate at 8.0%	(184,827)	(267,645)

24. **DEFERRED TAX**

Group

	2023 £	2022 £
Balance at 1 April	1,034,481	-
Charge to profit and loss	214,230	1,034,481
Balance at 31 March	1,248,711	1,034,481

24. **DEFERRED TAX - continued**

From 17 March 2020 the substantively enacted UK corporation tax rate was 19% as announced by the Government in the Spring Budget 2020. However, the UK corporation tax rate will increase to 25% with effect from 1 April 2023 per Finance Bill 2021. This increased tax rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at a rate of 25%.

The group has tax losses available for offset against future trading profits of approximately £12m at 31st March 2023. A deferred tax asset in respect of these losses of £2.7m has not been recognised as the expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition in future trading years

25. **PENSION COMMITMENTS**

The group operates a defined contribution retirement benefit plan for all qualifying employees. The assets of the plans are held separately from those of the group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the group are reduced by the amount of forfeited contributions.

The total expense recognised in the statement of profit or loss and other comprehensive income of £259,064 (2022: £54,025) represents contributions payable to these plans by the group at rates specified in the rules of the plans. As at 31st March 2023 contributions of £45,205 (2022: £10,126) due in respect of the reporting period had not been paid over to the plans. The amounts were paid over subsequent to the end of the reporting period.

continued...

26. RELATED PARTY DISCLOSURES

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2023	2022	2023	2022
Current assets	£	£	£	£
Trade debtors	948,907	417,458	-	-
Amounts owed by Group undertakings	-	71,213	-	71,213
Current liabilities:				
Trade creditors	753,037	887,134	-	-
Amounts owed to Group undertakings	503,882	516,273	-	16,271
Other creditors	71,653	71,653	-	-
Accruals and deferred income	1,073,218	1,052,477	-	-

Other entities with common control

	Group		Company	
	2023	2022	2023	2022
Current assets	£	£	£	£
Amounts owed by Group undertakings	-	-	-	46,059

Financial liabilities payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2023	2022	2023	2022
Current liabilities:	£	£	£	£
Other loans	592,010	479,171	-	-
Lease liabilities	101,998	55,677	-	-
Non-current liabilities:				
Other loans	8,349,931	7,819,941	-	-
Lease liabilities	13,381,480	13,279,309	-	-

Right-of-use assets leased from related parties
The following right-of-use assets at the reporting date are relation to lease arrangements with related parties:

Coventry City Council:

	Group		Company	
	2023	2022	2023	2022
Non-current assets	£	£	£	£
Leasehold land and property	13,996,012	13,906,645	-	-

continued...

Transactions with related parties
The following transactions occurred with related parties during the period:

Coventry City Council:

	Group		Company	
	2023	2022	2023	2022
Income	£	£	£	£
Sales	877,519	1,611,107	151,002	59,343
Expenditure				
Management fees payable	-	9,773	-	9,773
Lease liability interest	697,619	288,299	-	-
Loan interest	471,574	170,576	-	-
Depreciation - right-of-use assets	175,898	67,482	-	-
Other costs	488,459	318,132	-	-

Other entities with common control

	Group		Company	
	2023	2022	2023	2022
Income	£	£	£	£
Sales	-	-	167,411	68,406

Remuneration of key management personnel
The remuneration of key management personnel of the group, who are also directors, is as follows

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Aggregate compensation - short term employee benefits	607,988	168,139	239,612	63,772

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

27. **ULTIMATE CONTROLLING PARTY**

The ultimate parent company and ultimate controlling party is Coventry City Council. The consolidated financial statements of the Coventry City Council are available from the registered office address as follows:

Coventry City Council
Council House
Coventry
CV1 5RR

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REGISTERED NUMBER: 13705254 (England and Wales)

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

FOR

COVENTRY MUNICIPAL HOLDINGS LIMITED

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2024

COVENTRY MUNICIPAL HOLDINGS LIMITED

COMPANY INFORMATION
for the year ended 31 March 2024

DIRECTORS:	Mr P Fahy Mr G W McKelvie Mrs P Mudhar Mr A J Walster
SECRETARY:	Mr G S Sangha
REGISTERED OFFICE:	Council House Earl Street Coventry West Midlands CV1 5RR
REGISTERED NUMBER:	13705254 (England and Wales)
AUDITORS:	Luckmans Duckett Parker Limited Chartered Accountants Statutory Auditors 1110 Elliott Court Herald Avenue Coventry Business Park Coventry West Midlands CV5 6UB

GROUP STRATEGIC REPORT
for the year ended 31 March 2024

The directors present their strategic report of the company and the group for the year ended 31 March 2024.

REVIEW OF BUSINESS
Coventry Municipal Holdings Ltd (CMH) was created to strengthen the governance arrangements to manage Coventry City Council's (the "Council") commercial wholly owned arm's length investments. The reorganisation of the Council's external companies through CMH provides strong strategic leadership which, in turn will:
- deliver sustainable growth across existing commercial investments;
- identify and execute opportunity for investment in new initiatives and opportunities; and
- seek to increase the financial return to the shareholder, Coventry City Council, to help offset other frontline service budget pressures.

The entity accounts for Coventry Municipal Holdings Ltd have been prepared under UK-adopted International Financial Reporting Standards (IFRS). The results for the year ended 31st March 2024 show a loss after tax of (£34,294). At 31st March 2024, the company has total equity of £9,554,607 (2023: £14,333,903) and total cash and equivalent balances of £80,289 (2023: £153,352). The reduction in the equity is due to the movements in the fair value of investments in subsidiaries during the financial year, mainly due to the valuation for Tom White Waste and Coombe Abbey Park Limited.

The principal activities of the subsidiaries in the group have remained the same throughout the period, with Tom White Waste Limited (TWW) focusing on waste management and recycling services and Coombe Abbey Park Limited (CAPL) focusing on the hospitality and the leisure sector.

Tom white Waste has maintained the revenue achieved in year at £21.07m compared to £21.57m in the previous year, within a tougher market, where all businesses are experiencing a pressure on their cost base due to inflationary increases. The gross profit margin in the current year is 28.1% compared to 28% in the previous year, a strong position for the business. The percentage of disposal costs to revenue is a key metric and one that is being closely monitored by the Board due to the impact this has on the gross profit margin. The cash position at the year-end of £0.209m is lower than at the end of March 2023, but still positive. The business is able to meet its current obligations on existing loans and lease commitments. The Board of Directors have visibility of the cash flow forecast every month and the management team have more frequent oversight and management of the cash position. The execution of the intercompany loan and balance sheet restructure in 2024/25 have strengthened the cash position and place the company in a strong financial position moving forward.

Revenue for Coombe Abbey Park Group was strong in the 12 month period achieving a total of £12m compared to £13.6m in the 15 months prior. Coombe Abbey Hotel remains the most significant revenue source within that group and although has sustained a level of revenue, the hotel has experienced a number of cost pressures due to inflation and changes in consumer buying habits due to the impact of the cost of living crisis affecting customers disposable income. The hotel also suffered a major flood in March 2023 which impacted over 40 bedrooms and caused significant disruption and costs to the business. Although most costs have been recovered through insurance, business interruption did not reimburse all costs. The hotel was without 30% of its bedroom stock for 2 months which affected the ability to grow occupancy and secondary spend, plus additional operational costs during that period.

Occupancy was lower than budgeted at 62.9% and average room rate was 2.5% lower than budgeted. This contributed towards a reduction in revenue at the hotel compared to the budget of £0.49m, but also resulted in a cost saving associated with servicing the rooms. There has been improvement over the last few months to manage food cost of sales to below budget and now a greater focus on beverage, managing and reporting on this, remains a key performance indicator within the business.

The relationship with Go Ape continues to strengthen with the leisure operation in Coombe Abbey Park delivering a good financial return and footfall to the site. This supported the decision to roll out a new attraction with Go Ape, in July 2023, with the introduction of mini rovers on site and a purpose-built track, which has proved successful along with a "stumped" treasure hunt activity added in year. August 2023 saw the opening of "Hermits Hollow" a new paid play facility that was funded by Coventry City Council and sits within Coombe Abbey Park but is operated by Coombe Abbey Park (LACo) Limited.

GROUP STRATEGIC REPORT
for the year ended 31 March 2024

All businesses felt the impact of the national living wage increase of 6.6% in 2022, 9.7% in 2023 and 2024.

Coventry Technical Resources Ltd has continued to provide resourcing solutions for the Council in line with business need.

The group financial statements have been prepared under UK-adopted International Financial Reporting Standards (IFRS). The group results for the year ended 31st March 2024 report a total comprehensive loss after tax of (£3,198,231). The group has total equity of £3,135,106 and total cash and equivalent balances of £4,125,524.

There are no plans to change the nature of the activities undertaken within the group, although consideration will be given to opportunities that complement the existing businesses and where a business case supports their investment.

A summary of the Group's key performance indicators are as follows:

	Year ended 31.3.24	Year ended 31.3.23
Revenue	£33.5m	£33.7m
Gross Margin	29%	28%
Net Profit Margin	-8.67%	-5.75%

PRINCIPAL RISKS AND UNCERTAINTIES
The management of the business and execution of group strategy are subject to several risks.

The key business risks and uncertainties affecting the group are considered to relate to the competition from the hotels in the immediate locality of Coombe Abbey Hotel.

Financial Risk Management
The group is exposed to financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group by monitoring levels of debt finance and the related finance costs. The company has a strong cash position to meet its current and future financial liabilities. The Board of Directors receive a monthly cashflow forecast to support the financial position of the company.

The hotel industry supply and demand cycle
The hotel industry operates in an inherently cyclical marketplace. A weakening of demand or an increase in market room supply may lead to downward pressure on room rates which in turn would lead to a negative effect on operating performance. The management team have a close eye on trends and expected changes in the room rate and occupancy across the sector and use this information to inform the pricing and forecasts for the hotel. The new sector specific Non-Executive Director (NED) role on the Board provides a further mitigation for this risk, through challenge and experience they can bring to support key business decisions.

The group's management prepare timely forecast information and review past levels of business in order to react to the current economic climate. Information on key changes is reported to the Board of Directors on a monthly basis.

Litigation
The group may be at risk from various parties with which it interacts, either through direct contractual arrangements, the provision of services or failure to comply with regulatory requirements such as health and safety regulations. The group has processes in place to manage the risks associated with its various contractual relationships and appropriate compliance programmes necessary to provide assurance in respect of regulatory obligations. The Coombe Abbey Park Limited business has actively managed this risk through the Head of Compliance, and through the SHEQ Compliance officer and Senior Management Team at Tom White Waste Limited, highlighting the importance the businesses places on health and safety and compliance.

SECTION 172(1) STATEMENT
The Directors for the company and the respective subsidiary companies have complied with their duties under Section 172(1) of the Companies Act, with their role as Director, any decisions they make and their behaviour promoting the success of the group for the benefit of their members. This includes consideration as the long-term consequences of any decision. The Board of Directors require a business case to support investment decisions and a clear understanding of the risks, benefits, and net financial impact.

All companies in the group consider the interests of their employees and the need to foster business relationships with suppliers, customers, and other key stakeholders. Tom White Waste Ltd rebranded the group previously and continues to build on this in the current year focusing on three strands, people first, protect our plant and profit for purpose. NOHM is has been developed to be a strong hospitality brand which focuses on more than just operating Coombe Abbey Hotel but other hospitality contracts and ventures which would sit under this entity. In the year under review the group serviced contracts for iXL and Stoneleigh Abbey.

All entities consider the impact of their operations on the community and environment and work to maintain high standards of business conduct at all levels.

FUTURE DEVELOPMENTS
At Tom White Waste, the main focus on the Management Team and Board of Directors is to maximise the value that is created through the operation of the business. This includes taking decisions in relation to the utilisation of the site and markets segments to grow into. This is all being considered as part of the Business Plan for 2025-26 plus 2 years that is currently under development and due to be approved by the Shareholder in March 2025.

At Coombe Abbey Hotel, there is a planned program of internal improvements in the event rooms and public spaces taking place in 2024/25 funded through existing capital and revenue resource within the business. There is also further work to consider how best to utilise the buildings on site to better meet the customer demand and revenue growth. This would continue in 2025/26 and possibly not be completed until the following year.

ON BEHALF OF THE BOARD:

....
Mr A J Walster - Director

Date: ....

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2024.

PRINCIPAL ACTIVITY

The principal activity of Coventry Municipal Holdings Limited (CMH) is to hold and manage the wholly owned arm's length investments made by Coventry City Council.

The principal activities of the subsidiaries in the group have remained the same throughout the period, with Tom White Waste Limited (TWW) focusing on waste management and recycling services and Coombe Abbey Park Limited (CAPL) focusing on the hospitality and the leisure sector.

The group includes the following companies:
- Tom White Waste Limited (TWW) and subsidiaries: A&M Metals & Waste Ltd, Tom White Waste (LACo) Ltd
- Coombe Abbey Park Limited (CAPL) and subsidiaries: No Ordinary Hospitality Management (NOHM), Coombe Abbey Park (LACo) Ltd
- Coventry Technical Resources Limited (CTR)
- Coventry Regeneration Limited (CR)
- No Ordinary Hotels Limited

The company's activities include providing excellent governance across its own activities and those of its subsidiaries. CMH will ensure consistency in reporting, transparency in operations and strong management of the Council's investments, working closely with the subsidiary companies to deliver the outcomes and financial performance approved in the company Business Plans.

CMH will derive value from commercial activity within the subsidiary companies in line with the strategic corporate objectives that may be used to off-set budget pressures and enhance services delivered by Coventry City Council and seek to grow the activity of the group in line with the company vision and objectives.

DIVIDENDS

No dividends will be paid out for the year ended 31 March 2024.

RESEARCH AND DEVELOPMENT

No specific research and development activities have been undertaken during the year.

EVENTS SINCE THE END OF THE YEAR

Following the year ended 31st March 2024, Tom White Waste Limited has been seeking to refinance the mortgage on the main operational site. The company has continued to meet all its liabilities in relation to loans and hire purchase contracts (HP) but the value of debt to EBITDA has been higher than the company would expect, as a result of the levels of investment through HP plant and vehicles over the last few years. The lower EBITDA has been due to a number of factors including the end of some revenue contracts which were replaced with other contracts at lower margins, higher disposal costs, impact of market forces on sales and the inflationary impact on the cost base. To address this, the Board of Directors have undertaken a balance sheet restructure through the sale and leaseback of the main operational site with their ultimate shareholder, Coventry City Council. This transaction was completed in January 2025 and as such allows the company to settle some of the loans and HP contracts in place.

In December 2024, Tom White Waste Ltd and Coventry Technical Resources Ltd executed an intercompany loan, which has been fully repaid along with any interest as part of the balance sheet restructure.

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2023 to the date of this report.

Mr P Fahy
Mr G W McKelvie
Mrs P Mudhar
Mr A J Walster

Other changes in directors holding office are as follows:

Ms K G Nelson ceased to be a director after 31 March 2024 but prior to the date of this report.

FINANCIAL INSTRUMENTS
The subsidiaries in the group hold or issue financial instruments to finance their operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations in TWW and CAPL group are financed by a mixture of retained profits, finance leases and long-term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £1.5m that can be accessed at commercial rates. The Council provided CMH with a one-off working capital grant to support the operation of the company when it was incorporated.

The Council also approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year.

Liquidity risk
A 13-week cashflow is shared with the Board of Directors for Tom White and CAPL to highlight the financial impact of the forecast operational performance and to inform any management action that maybe required. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Credit risk
The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs.

With regards to bank loans and leases both Tom White and CAPL meet the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses. Tom White's have regular meetings with their lender and providers of capital asset financing.

POLITICAL DONATIONS AND EXPENDITURE
During the year under review and the previous period the group did not make any donations for political purposes.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE
The Directors' and Officers' Liability Insurance policy covers damages and costs arising from any 'wrongful act' by the Directors. Wrongful act covers libel, slander, error, misstatement, misleading statement, misrepresentation, omission, neglect, breach of warranty of authority or other act attempted or committed by any or all of the Directors when acting or serving in that capacity. The limit of indemnity is £5m.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION & ENERGY EFFICIENCY

The group is taking steps to reduce energy consumption, waste and increase recycling. The core values for Tom White Waste Limited support this with Protect Our Planet being at the heart of how the business operates. Tom White has handled 110,000 tonnes of material in 2023/24 diverting 75% from landfill in the UK (73% diversion prior FY).

The entity with the largest energy consumption within the group is Tom White Waste Limited. The company has generated 1,431 tonnes of carbon dioxide from the combustion of fuel associated with material collections and deliveries equivalent to c13kg of carbon dioxide per tonne of waste during 2023/24. Through the activities of the business the company has consumed 695,933 KWh of electricity equivalent to 144 tonnes of carbon dioxide (639,000KWh and 162 tonnes of carbon dioxide prior FY).

Further steps have been taken to increase the energy efficiency of the vehicle fleet with 85% being Euro 6 compliant, this is a 5% increase on prior year. The company car fleet has been converted from internal combustion engine to hybrid to fully electric. Additionally, Tom White concluded the LED lighting upgrade program within its production facilities.

Energy efficiency is a within Coombe Abbey Hotel too, although due to the building being Grade 1 listed, it is difficult to retrofit and make improvements.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis and have considered the following factors in their assessment of going concern.

The Directors of CMH have considered the financial performance of the Company and wider group; along with the market they operate in and any potential plans for development. In addition to this, the risk register for each company has been reviewed along with the mitigating actions. This review supports the Directors assessment, that the going concern basis is appropriate. There are no material uncertainties that the Directors are aware of that should be considered as part of this assessment.

The companies each prepare a detailed budget for the next 12 months and in some cases a 3-year financial forecast, as part of their Business Plan. This key document is referred to throughout the year to consider if the companies are on track to meet their forecast performance. The Business Plan for the CMH group is approved by the Shareholder Committee each year ahead of the new financial year and then a financial performance report is presented following the year end to support the year end position and any variation from the Business Plan explained along with any proposed actions. This alongside the cashflow which is monitored on a daily or weekly basis is used to determine if there are sufficient funds available to demonstrate that the business is of going concern. The budget and business plans for the group for 2023/24 and 2024/25 were presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet).

The Council has provided a letter of support confirming that if required, the Council would provide financial support to the Coombe Abbey group, including deferral of loan repayments and lease liability payments. The Directors do not foresee the business having to request such support.

All businesses have been able to meet their current obligations on existing loans and lease commitments. These have been met in the period under review and payments will continue to be made in line with the agreements. For Coombe Abbey, the rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet for CAPL includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application this was through no fault of the company and the business has set funds aside as part of the cashflow projections over the next 24 months to ensure it can meet this liability. The company is seeking to submit all VAT returns and arrange time to pay with HMRC to settle the liabilities.

The group has a strong cash position, which at the year-end was £4.1m. The cash position is shared with the respective company Board of Directors on a weekly basis and formally discussed as a 13-week position at each Board meeting. At the year end TWW group had un-utilised banking facilities available and cash and cash equivalents of £0.210m and Coombe Abbey group has £1.115m.

The Coombe Abbey group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity in 2023/24. This investment is supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.

To support the business and provide greater levels of challenge and scrutiny, the Board of Directors have appointed a sector specialist as a Non-Executive Director to the Board for the Coombe Abbey group, J Cockell, who has supported the companies with his commercial expertise and ideas for growth alongside the overview of the current operation of the business.

The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. This decision is based on the current operation and the forecast cashflow position for the next two years. The ultimate controlling party, Coventry City Council, will provide financial support to the companies if required, where applicable.

ENGAGEMENT WITH EMPLOYEES

CMH have complied with the equal opportunities policies of the Council, as the ultimate owner of the Company, that in summary are:

- Everybody should have an equal opportunity to contribute to and benefit from society.
- A diverse community is a positive asset to the City.

The employees in the group are aware of the strong links back to the Council and that any profits paid back as dividends would be utilised within the public sector to deliver front line services "profit with a purpose". The entities undertake briefings to share information that would affect employees and any changes in the business operation they should be aware of to undertake their role or the direction of travel for the organisation.

Disabled employees

CMH does not currently have any disabled employees. The Employee Handbook supports the employment of people with disabilities and where possible the group will consider what reasonable adjustments or support may be appropriate.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

CMH's standard terms of payment are the same as Coventry City Council's i.e. 30 days from the date payment is due, receipt of invoice or delivery of goods, whichever is the later. Alternative payment terms are only made if specifically demanded for contractual purposes.

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 UK-adopted international accounting standards. 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

....
Mr A J Walster - Director

Date: ....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COVENTRY MUNICIPAL HOLDINGS LIMITED

Opinion

We have audited the financial statements of Coventry Municipal Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Profit or Loss, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the UK;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page nine, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to designing audit procedures by tailoring and directing testing to aid and support the determined level of risk. In response, the procedures we perform to determine the level of risk include:

- Reference to past history and experience of the Entity
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Entity's procedures relating to:
  - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud
  - assessment of the controls and processes that the Entity has in place to mitigate risk

Our assessments included the identification of the following potential areas for fraud:

- Management override of control
- Revenue recognition

We design audit procedures by tailored and directed testing to aid and support the determined level of risk. In response to the assessed risk we plan audit tests and procedures that target specific areas where misstatement may occur. These procedures and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We critically assessed the appropriateness and tested the application of the revenue and cost recognition policies
- We assessed the appropriateness of accounting journals and other adjustments made in the preparation of the financial statements
- We reviewed the Entity's accounting policies for non-compliance with relevant standards.
- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations

In performing an audit in accordance with UK-adopted international accounting standards and the Companies Act, we exercise professional judgement and maintain professional scepticism throughout the audit process.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
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 a Report of the Auditors 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.

Mr Ashwani Rishiraj FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

Date: ....

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the year ended 31 March 2024

	Notes	2024 £	2023 £
CONTINUING OPERATIONS			
Revenue	4	33,555,736	33,703,956
Cost of sales		(23,508,107)	(24,109,375)
GROSS PROFIT		10,047,629	9,594,581
Other operating income	5	819,001	534,107
Administrative expenses		(11,960,404)	(10,536,322)
OPERATING LOSS		(1,093,774)	(407,634)
Finance costs	8	(1,844,957)	(1,533,409)
Finance income	8	26,824	676
LOSS BEFORE INCOME TAX	9	(2,911,907)	(1,940,367)
Income tax	11	103,896	(214,230)
LOSS FOR THE YEAR		(2,808,011)	(2,154,597)
Loss attributable to:			
Owners of the parent		(2,808,011)	(2,154,597)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2024

	2024 £	2023 £
LOSS FOR THE YEAR	(2,808,011)	(2,154,597)
OTHER COMPREHENSIVE INCOME		
Item that will not be reclassified to profit or loss:		
Revaluation of Leasehold land & building	(390,220)	390,220
Income tax relating to item that will not be reclassified to profit or loss	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	(390,220)	390,220
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(3,198,231)	(1,764,377)
Total comprehensive income attributable to:		
Owners of the parent	(3,198,231)	(1,764,377)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 March 2024

	Notes	2024 £	2023 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	16,821,574	17,201,555
Right-of-use			
Property, plant and equipment	13, 22	20,452,068	20,494,839
Investments	14	-	-
		37,273,642	37,696,394
CURRENT ASSETS			
Inventories	15	98,356	75,977
Trade and other receivables	16	4,384,458	4,722,185
Tax receivable		11,506	509,276
Cash and cash equivalents	17	4,125,524	4,600,770
		8,619,844	9,908,208
TOTAL ASSETS		45,893,486	47,604,602
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	20,198,503	20,198,503
Revaluation reserve	19	-	390,220
Merger reserve	19	(11,467,705)	(11,467,705)
Capital contribution reserve	19	150,000	150,000
Retained earnings	19	(5,745,692)	(2,937,681)
TOTAL EQUITY		3,135,106	6,333,337
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	29,945,929	29,290,995
Deferred tax	24	1,156,454	1,248,711
		31,102,383	30,539,706
CURRENT LIABILITIES			
Trade and other payables	20	8,300,247	7,631,728
Contract liabilities	4	885,019	950,134
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	2,470,731	2,149,697
		11,655,997	10,731,559
TOTAL LIABILITIES		42,758,380	41,271,265
TOTAL EQUITY AND LIABILITIES		45,893,486	47,604,602

The notes form part of these financial statements

continued...

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued
31 March 2024

The financial statements were approved by the Board of Directors and authorised for issue on .... and were signed on its behalf by:

....
Mrs P Mudhar - Director

The notes form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION
31 March 2024

	Notes	2024 £	2023 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	-	-
Right-of-use			
Investments	14	9,470,000	14,215,002
		9,470,000	14,215,002
CURRENT ASSETS			
Trade and other receivables	16	74,736	7,937
Cash and cash equivalents	17	80,289	153,352
		155,025	161,289
TOTAL ASSETS		9,625,025	14,376,291
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	20,198,503	20,198,503
Capital contribution reserve	19	150,000	150,000
Fair value reserve	19	(10,728,502)	(5,983,500)
Retained earnings	19	(65,394)	(31,100)
TOTAL EQUITY		9,554,607	14,333,903
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	70,418	42,388
TOTAL LIABILITIES		70,418	42,388
TOTAL EQUITY AND LIABILITIES		9,625,025	14,376,291

The financial statements were approved by the Board of Directors and authorised for issue on .... and were signed on its behalf by:

....
Mrs P Mudhar - Director

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Revaluation reserve £
Balance at 1 April 2022	20,198,503	(783,084)	-
Changes in equity			
Total comprehensive income	-	(2,154,597)	390,220
Balance at 31 March 2023	20,198,503	(2,937,681)	390,220
Changes in equity			
Total comprehensive income	-	(2,808,011)	(390,220)
Balance at 31 March 2024	20,198,503	(5,745,692)	-

	Merger reserve £	Capital contribution reserve £	Total equity £
Balance at 1 April 2022	(11,467,705)	150,000	8,097,714
Changes in equity			
Total comprehensive income	-	-	(1,764,377)
Balance at 31 March 2023	(11,467,705)	150,000	6,333,337
Changes in equity			
Total comprehensive income	-	-	(3,198,231)
Balance at 31 March 2024	(11,467,705)	150,000	3,135,106

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Capital contribution reserve £	Fair value reserve £	Total equity £
Balance at 1 April 2022	20,198,503	4,923	150,000	(1,518,500)	18,834,926
Changes in equity					
Total comprehensive income	-	(36,023)	-	(4,465,000)	(4,501,023)
Balance at 31 March 2023	20,198,503	(31,100)	150,000	(5,983,500)	14,333,903
Changes in equity					
Total comprehensive income	-	(34,294)	-	(4,745,002)	(4,779,296)
Balance at 31 March 2024	20,198,503	(65,394)	150,000	(10,728,502)	9,554,607

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

		2024	2023
		£	£
Cash flows from operating activities			
Cash generated from operations	1	3,694,172	2,358,606
Interest paid		(796,308)	(614,923)
Lease interest paid		(1,048,649)	(905,450)
Tax paid		509,409	(149,342)
Net cash from operating activities		2,358,624	688,891
Cash flows from investing activities			
Purchase of tangible fixed assets		(809,685)	(716,223)
Sale of tangible fixed assets		84,438	371,500
Interest received		26,824	676
Net cash from investing activities		(698,423)	(344,047)
Cash flows from financing activities			
New loans in year		450,000	1,153,000
Loan repayments in year		(592,010)	(523,398)
Intercompany loan repayments		(492,683)	-
Bank loan repayments		(63,202)	-
Payment of lease liabilities		(1,437,552)	(1,421,983)
Net cash from financing activities		(2,135,447)	(792,381)
Decrease in cash and cash equivalents		(475,246)	(447,537)
Cash and cash equivalents at beginning of year	2	4,600,770	5,048,307
Cash and cash equivalents at end of year	2	4,125,524	4,600,770

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2024	2023
	£	£
Loss before income tax	(2,911,907)	(1,940,367)
Depreciation charges	3,127,656	2,443,167
Profit on disposal of fixed assets	(19,057)	(121,910)
Loss on revaluation of fixed assets	268,042	-
Finance costs	1,844,957	1,533,409
Finance income	(26,824)	(676)
	2,282,867	1,913,623
Increase in inventories	(22,379)	(4,627)
Decrease/(increase) in trade and other receivables	337,727	(45,534)
Increase in trade and other payables	1,161,072	173,165
(Decrease)/increase in contract liabilities	(65,115)	321,979
Cash generated from operations	3,694,172	2,358,606

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2024

	31.3.24	1.4.23
	£	£
Cash and cash equivalents	4,125,524	4,600,770

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	4,600,770	5,048,307

1. STATUTORY INFORMATION

Coventry Municipal Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

The principal accounting policies adopted are set out below.

Going concern
The directors have prepared the financial statements on the going concern basis and have considered the following factors in their assessment of going concern.

The Directors of CMH have considered the financial performance of the Company and wider group; along with the market they operate in and any potential plans for development. In addition to this, the risk register for each company has been reviewed along with the mitigating actions. This review supports the Directors assessment, that the going concern basis is appropriate. There are no material uncertainties that the Directors are aware of that should be considered as part of this assessment.

The companies each prepare a detailed budget for the next 12 months and in some cases a 3-year financial forecast, as part of their Business Plan. This key document is referred to throughout the year to consider if the companies are on track to meet their forecast performance. The Business Plan for the CMH group is approved by the Shareholder Committee each year ahead of the new financial year and then a financial performance report is presented following the year end to support the year end position and any variation from the Business Plan explained along with any proposed actions. This alongside the cashflow which is monitored on a daily or weekly basis is used to determine if there are sufficient funds available to demonstrate that the business is of going concern. The budget and business plans for the group for 2023/24 and 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet).

The Council has provided a letter of support confirming that if required, the Council would provide financial support to the Coombe Abbey group, including deferral of loan repayments and lease liability payments. The Directors do not foresee the business having to request such support.

continued...

All businesses have been able to meet their current obligations on existing loans and lease commitments. These have been met in the period under review and payments will continue to be made in line with the agreements. For Coombe Abbey, the rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet for CAPL includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application. The business has set funds aside as part of the cashflow projections to ensure it can meet this liability.

The group has a strong cash position, which at the year-end was £4.1m. The cash position is shared with the respective company Board of Directors on a weekly basis and formally discussed as a 13-week position at each Board meeting. At the year end TWW group had un-utilised banking facilities available and cash and cash equivalents of £0.210m and Coombe Abbey group has £1.115m.

The Coombe Abbey group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity in 2023/24. This investment is supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.

To support the business and provide greater levels of challenge and scrutiny, each Board of Directors has a Non-Executive Director. Coombe Abbey group have appointed a sector specialist as a Non-Executive Director to the Board for all their companies. The post holder brings commercial expertise and ideas for growth alongside the overview of the current operation of the business and was in post following the date under review.

The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. This decision is based on the current operation and the forecast cashflow position for the next two years. The ultimate controlling party, Coventry City Council, will provide financial support to the companies if required, where applicable.

Basis of consolidation

The group's financial statements incorporate the results, cash flows, assets and liabilities of Coventry Municipal Holdings Limited and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

Business combinations for entities under common control are recognised using the predecessor value method (Merger Accounting). The assets and liabilities of the entities acquired are consolidated using their respective carrying values at the date of acquisition. Any difference between the carrying values of net assets and fair value of consideration is shown as a deduction in equity within a Merger reserve. If the consideration is lower than the carrying amount of the net assets, this is recognised as a contribution to equity.

Subsidiaries

Subsidiaries are entities controlled by the group. The group control's an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

In the individual entity financial statements interests in subsidiaries are measured at fair value through other comprehensive income

continued...

2. ACCOUNTING POLICIES - continued

Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable net of VAT and trade discounts. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The policies adopted for the recognition of revenue are as follows:

Sale of goods

Revenue from the sale of goods are recognised when control of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. This is usually on dispatch of the goods.

Rendering of services

Revenue from providing services, where performance obligations are satisfied over time, is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule which has usually been set to be broadly aligned with the volume of work performed. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Other operating income

Other operating income relates to joint ventures operations. Where the company has a long term interest and shares control under a contractual arrangement over an economic activity which uses the company's assets and resources but is not set up in a separate entity, the company recognises its assets, liabilities and expenses and a share of income earned from the jointly controlled operation.

Dividend and interest income

Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established. Each is then shown separately in the statement of profit or loss and other comprehensive income.

Cash and cash equivalents

Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under ‘current liabilities’ on the Statement of Financial Position.

continued...

2. **ACCOUNTING POLICIES - continued**

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.

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:

Freehold Land and buildings	-	2% straight line basis
Assets under construction	-	not depreciated as not yet in use
Leasehold Land and buildings	-	over period of the lease or 50 years straight line basis
Improvements to property	-	over the period of the lease
Plant and machinery	-	3 - 20 years straight line basis
Fixtures and fittings	-	3 - 10 years straight line basis
Motor vehicles	-	3 - 10 years straight line basis or 25% reducing balance

Depreciation begins when the asset is available for use and continues until the asset is derecognised, even if it is idle.

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 and loss.

Leasehold land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation and impairment for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of tangible and intangible assets other than goodwill
At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated, which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

2. **ACCOUNTING POLICIES - continued**

In estimating the fair value of an asset, the entity uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the entity engages qualified third-party valuers to perform such valuations. The Board of Directors work with these valuers to establish an appropriate technical approach, understanding of the asset and to establish the inputs.

Value in use is calculated using estimated cash flows. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation/amortisation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of profit or loss and other comprehensive income as an impairment loss.

continued...

2. ACCOUNTING POLICIES - continued

Financial instruments
Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss) are added to or deducted from the fair value as appropriate, on initial recognition.

Financial assets
Financial assets are subsequently classified into the following specified categories:
- financial assets at fair value through profit or loss, including held for trading;
- fair value through other comprehensive income; or
- amortised cost.

The classification depends on the nature and purpose of the financial asset (ie. the company's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

Financial assets are classified as at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are measured at amortised cost if they are held within a business mode whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss.

Equity investments
In the individual entity financial statements, investments in subsidiaries are recognised at fair value through other comprehensive income. Gains and losses are recognised in other comprehensive income and credited to the fair value reserve.

A subsidiary is a company controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Financial liabilities
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities at amortised cost, which are measured using the effective interest method. At present the company does not have any financial liabilities at FVTPL.

2. **ACCOUNTING POLICIES - continued**

Fair values

Fair value is the amounts for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the financial statements.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the debt instrument, or a shorter period, on the net carrying amount on initial recognition.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined on a first in first out (FIFO) basis. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the statement of profit or loss and other comprehensive income.

Leases

The company applies IFRS 16 Leases. Accordingly, leases are all accounted for in the same manner:
- A right of use asset and lease liability is recognised on the statement of financial position, initially measured at the present value of future lease payments;
- Depreciation of right-of-use assets and interest on lease liabilities are recognised in the statement of comprehensive income;
- The total amount of cash paid is recognised in the statement of cash flows, split between payments of principal (within financing activities) and interest (also within financing activities).

The initial measurement of the right of use asset and lease liability takes into account the value of lease incentives such as rent-free periods.

The costs of leases of low value items and those with a short term at inception are recognised as incurred.

2. ACCOUNTING POLICIES - continued

Employee benefit costs

The company's contributions to defined contribution plans are charged to the statement of profit or loss and other comprehensive income in the period to which the contributions relate.

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

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

Provisions

Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The following judgements have been made in the process of applying the accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Accruals

Estimation is required in determining an appropriate amount to accrue in respect of uninvoiced expenses. The amounts accrued are based on management's best estimate of such costs after considering works performed to the year-end date.

Deferred Tax Asset

The group has tax losses available for offset against future trading profits of approximately £13.7m at 31st March 2024 (2023: £12m). A deferred tax asset in respect of these losses of £3.4m (2023: £2.7m) has not been recognised as the expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition in future trading years.

continued...

4. REVENUE

Revenue from contracts with customers

The group generates revenue primarily from Waste Management and recycling services and Hospitality services.

	2024	2023
	£	£
Rendering of services	26,845,501	27,405,511
Sale of goods	6,710,235	6,298,445
	33,555,736	33,703,956

Disaggregation of revenue

The following table shows revenue from contracts with customers disaggregated by major products and service lines. All revenues are generated in the UK.

Major Service lines	2024	2023
	£	£
Waste management and recycling	21,068,301	21,567,958
Accommodation	2,969,936	3,230,762
Food, beverages and catering	6,710,235	6,298,445
Room and marquee hire	775,058	905,071
Management services	598,538	664,972
Other services	1,433,668	1,036,748
	33,555,736	33,703,956

Timing of Revenue Recognition:	2024	2023
	£	£
Revenue recognised at a point in time	32,957,198	33,038,984
Revenue recognised over time	598,538	664,972
	33,555,736	33,703,956

The performance obligations from waste management and recycling revenues are satisfied at a point in time which is generally on collection of waste from customers. This relates to the roll on, roll off service, skips, trade waste revenue and revenue from the inbound gate. Invoices are raised on the date the service is completed and are usually payable within 30 days. For some customers namely for domestic skip hire, payment for hire of the skip would be collected in advance of the service being provided.

The performance obligations from accommodation revenues are satisfied at a point in time when the rooms are occupied by customers. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms.

The performance obligations from food, beverage and catering revenues are recognised at a point in time when the goods are transferred to the buyer. Invoices for food and beverage revenues are raised on the date the goods are transferred and are usually payable immediately with no payment terms. Invoices for catering revenues are partially raised in advance of services resulting in a Contract Liability as shown below, with the remaining balance being invoiced on completion of service and payable immediately.

The performance obligations from room hire and marquee revenues are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms.

For larger corporate events, the performance obligations are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable within 30 days. For weddings the performance obligations are satisfied in advance of the event, with deposits taken at the point of booking and the balance settled before the event. With any additional costs incurred on the day being satisfied at a point in time when the services are provided.

The performance obligations from Management services are satisfied over time as the services are provided. Invoices are usually raised the month the service is provided and payable within 30 days.

Contract balances

	2024	2023
	£	£
Receivables included in "Trade and other receivables"	3,605,557	4,038,489
Contract liabilities		
Current		
Deferred income	885,019	950,134

A trade receivable is recognised when the group has issued an invoice and has unconditional right to receive payment. The invoice is typically issued as the performance obligations are satisfied.

Deferred income is recognised when payment is received from customers before the respective performance obligation is satisfied.

5. OTHER OPERATING INCOME

	2024	2023
	£	£
Rents received	97,500	16,250
Other income	721,501	460,987
Management charges	-	56,870
	819,001	534,107

6. EMPLOYEES AND DIRECTORS

	2024	2023
	£	£
Wages and salaries	12,202,213	11,437,116
Social security costs	1,122,957	1,165,973
Other pension costs	293,061	265,932
	13,618,231	12,869,021

continued...

6. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	2024	2023
Directors	10	11
Finance and administration	26	29
Management and administration	37	27
Hospitality operations	289	304
Waste management & recycling operations	169	172
Business development	4	5
	535	548

	2024 £	2023 £
Directors' remuneration	498,573	505,725
Directors' pension contributions to money purchase schemes	43,441	30,113

Information regarding the highest paid director is as follows:

	2024 £	2023 £
Emoluments etc	136,648	135,533

7. EXCEPTIONAL ITEMS

Exceptional items of £48,938 (2023: £322,967) include costs for investigating and planning a proposed new re-development of the Coombe Abbey Hotel, and professional fees for the proposed re-development of the Materials Recycling Facility ("MRF") at Tom White Waste Limited. It was subsequently decided that both re-development projects would not go ahead.

8. NET FINANCE COSTS

	2024 £	2023 £
Finance income:		
Interest income	26,824	676
Finance costs:		
Bank loan interest	321,052	150,830
Other interest	38,991	-
Loan interest	432,467	471,574
Late payment interest	3,798	5,555
Hire purchase	132,151	91,447
Leasing	916,498	814,003
	1,844,957	1,533,409
Net finance costs	1,818,133	1,532,733

continued...

9. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging/(crediting):

	2024	2023
	£	£
Leases	98,159	50,884
Depreciation - owned assets	1,445,888	1,315,041
Depreciation - assets on hire purchase contracts	1,681,768	1,128,126
Profit on disposal of fixed assets	(19,057)	(121,910)

10. AUDITORS' REMUNERATION

	2024	2023
	£	£
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	65,831	74,660
Total audit fees	65,831	74,660
Taxation compliance services	9,140	7,101
Total non-audit fees	9,140	7,101
Total fees payable	74,971	81,761

11. INCOME TAX

Analysis of tax (income)/expense

	2024	2023
	£	£
Current tax:		
Adjustment in respect of prior periods	(11,639)	-
Deferred tax	(92,257)	214,230
Total tax (income)/expense in consolidated statement of profit or loss	(103,896)	214,230

11. INCOME TAX - continued

Factors affecting the tax expense
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2024	2023
	£	£
Loss before income tax	(2,911,907)	(1,940,367)
Loss multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%)	(727,977)	(368,670)
Effects of:		
Change in corporation tax rate	-	(22,952)
Capital allowances in excess of depreciation	123,177	(31,196)
Depreciation on assets not qualifying for tax allowances	111,626	23,789
Revenue items capitalised	(15,994)	(8,193)
Unused tax losses and tax offsets not recognised as deferred tax assets	397,538	620,114
Expenses that are not deductible in determining taxable profit	1,412	1,338
Other adjustments	6,322	-
Tax (income)/expense	(103,896)	214,230

12. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(34,294) (2023 - £(36,023)).

continued...

13. PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold Land and buildings £	Leasehold Land and buildings £	Improvemen to property £
COST OR VALUATION			
At 1 April 2023	5,976,379	25,281,047	293,007
Additions	10,450	84,718	104,637
Disposals	-	-	-
Revaluations	-	(658,262)	-
At 31 March 2024	5,986,829	24,707,503	397,644
DEPRECIATION			
At 1 April 2023	164,733	801,326	48,834
Charge for year	114,487	780,718	74,522
Eliminated on disposal	-	-	-
At 31 March 2024	279,220	1,582,044	123,356
NET BOOK VALUE			
At 31 March 2024	5,707,609	23,125,459	274,288
At 31 March 2023	5,811,646	24,479,721	244,173

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 April 2023	4,414,182	620,155	3,691,589	40,276,359
Additions	1,300,262	75,474	1,853,006	3,428,547
Disposals	(221,037)	-	(560,910)	(781,947)
Revaluations	-	-	-	(658,262)
At 31 March 2024	5,493,407	695,629	4,983,685	42,264,697
DEPRECIATION				
At 1 April 2023	718,453	40,465	806,154	2,579,965
Charge for year	1,102,947	184,804	870,178	3,127,656
Eliminated on disposal	(200,299)	-	(516,267)	(716,566)
At 31 March 2024	1,621,101	225,269	1,160,065	4,991,055
NET BOOK VALUE				
At 31 March 2024	3,872,306	470,360	3,823,620	37,273,642
At 31 March 2023	3,695,729	579,690	2,885,435	37,696,394

continued...

13. PROPERTY, PLANT AND EQUIPMENT - continued

Group

Coventry City Council hold a fixed and floating charge over leasehold property known as Coombe Abbey , Brinklow Road, Binley, Coventry, CV3 2AB, land registry title WK447538 and a floating charge on all undertakings of Coombe Abbey Park Limited.

Leasehold land and buildings, Plant and Machinery and Motor Vehicles include right-of-use assets as shown in note 22.

Cost or valuation at 31 March 2024 is represented by:

	Freehold Land and buildings £	Leasehold Land and buildings £	Improvemen to property £
Valuation in 2023	-	390,220	-
Valuation in 2024	-	(658,262)	-
Cost	5,986,829	24,975,545	397,644
	5,986,829	24,707,503	397,644

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2023	-	-	-	390,220
Valuation in 2024	-	-	-	(658,262)
Cost	5,493,407	695,629	4,983,685	42,532,739
	5,493,407	695,629	4,983,685	42,264,697

The leasehold land and buildings were independently valued on a fair value basis at 31st March 2024 by a member of the Royal Institute of Chartered Surveyors.

14. INVESTMENTS

Company

	Shares in group undertaking £
COST OR VALUATION	
At 1 April 2023	14,215,002
Revaluations	(4,745,002)
At 31 March 2024	9,470,000
NET BOOK VALUE	
At 31 March 2024	9,470,000
At 31 March 2023	14,215,002

continued...

14. INVESTMENTS - continued

Company

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Tom White Waste Limited
Registered office: Unit 13a Stonebrook Way, Longford, Coventry, West Midlands, CV6 6LN
Nature of business: Waste management and recycling

Class of shares:	% holding
Ordinary	100.00

	2024 £	2023 £
Aggregate capital and reserves	1,225,574	3,024,887
Loss for the year	(1,799,313)	(252,593)

Coombe Abbey Park Limited
Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, West Midlands, England, CV3 2AB
Nature of business: Hotels and hospitality services

Class of shares:	% holding
Ordinary shares	100.00
Deferred shares	100.00

	2024 £	31.3.23 £
Aggregate capital and reserves	(910,086)	493,456
Loss for the year/period	(745,280)	(1,553,751)

Coventry Regeneration Limited
Registered office: C/O Room 56 Council House, Earl Street, Coventry, England, CV1 5RR
Nature of business: Property development

Class of shares:	% holding
Ordinary	100.00

	2024 £	2023 £
Aggregate capital and reserves	198	141
Profit for the year	57	93

continued...

14. **INVESTMENTS - continued**

Company

Coventry Technical Resources Limited
Registered office: C/O Room 56 Council House, Earl Street, Coventry, England, CV1 5RR
Nature of business: Resource solutions services

Class of shares:	% holding
Ordinary	100.00

	2024 £	2023 £
Aggregate capital and reserves	2,774,784	2,770,429
Profit for the year	4,355	7,358

No Ordinary Hotels Limited
Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, England, CV3 2AB
Nature of business: Hotels and similar accommodation

Class of shares:	% holding
Ordinary	100.00

	2024 £	2023 £
Aggregate capital and reserves	2	2

Investments in subsidiaries were independently valued on a fair value basis at 31st March 2024 and 31st March 2023. Gains and losses are recognised in other comprehensive income and credited to the fair value reserve.

15. **INVENTORIES**

	Group 2024 £	Group 2023 £
Finished goods and goods for resale	98,356	75,977
	98,356	75,977

16. **TRADE AND OTHER RECEIVABLES**

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Current:				
Trade debtors	3,605,557	4,038,489	74,736	2,054
Other debtors	185,386	169,775	-	-
Prepayments and accrued income	593,515	513,921	-	5,883
	4,384,458	4,722,185	74,736	7,937

continued...

17. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Cash in hand	713	5,136	-	-
Bank accounts	4,124,811	4,595,634	80,289	153,352
	4,125,524	4,600,770	80,289	153,352

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024 £	2023 £
20,198,503	Ordinary	£1	20,198,503	20,198,503

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

continued...

19. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Merger reserve £	Capital contribution reserve £	Totals £
At 1 April 2023	(2,937,681)	390,220	(11,467,705)	150,000	(13,865,166)
Deficit for the year	(2,808,011)				(2,808,011)
Revaluation of leasehold land and buildings	-	(390,220)	-	-	(390,220)
At 31 March 2024	(5,745,692)	-	(11,467,705)	150,000	(17,063,397)

Company

	Retained earnings £	Capital contribution reserve £	Fair value reserve £	Totals £
At 1 April 2023	(31,100)	150,000	(5,983,500)	(5,864,600)
Deficit for the year	(34,294)			(34,294)
Revaluation of investments	-	-	(4,745,002)	(4,745,002)
At 31 March 2024	(65,394)	150,000	(10,728,502)	(10,643,896)

Capital Contribution
The capital contribution reserve relates to contributions to the equity capital of the group, without issue of share capital. On 5th November 2021, Coventry Municipal Holdings Ltd received a capital contribution from Coventry City Council, the parent entity and ultimate controlling party. The purpose of the capital contribution was to fund working capital requirements of Coventry Municipal Holdings Ltd.

Merger Reserve
The merger reserve relates to business combinations under common control during the period, as stated below.

Fair Value Reserve
The fair value reserve relates to movements in fair value of investments in subsidiaries recognised at fair value through other comprehensive income.

continued...

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Current:				
Trade creditors	3,748,046	2,934,794	-	-
Amounts owed to group undertakings	11,329	503,882	-	-
Social security and other taxes	2,841,639	2,275,618	20,398	22,017
Other creditors	234,198	218,292	34,501	2,069
Accruals and deferred income	1,465,035	1,699,142	15,519	18,302
	8,300,247	7,631,728	70,418	42,388

21. FINANCIAL LIABILITIES - BORROWINGS

	Group	
	2024	2023
	£	£
Current:		
Bank loans	300,840	300,840
Other loans	592,010	592,010
Leases (see note 22)	1,577,881	1,256,847
	2,470,731	2,149,697
Non-current:		
Bank loans - 1-2 years	3,399,963	2,931,265
Other loans - 1-2 years	7,735,713	8,349,931
Leases (see note 22)	18,810,253	18,009,799
	29,945,929	29,290,995

Terms and debt repayment schedule

Group

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Bank loans	300,840	300,840	902,520	2,196,603	3,700,803
Other loans	592,010	557,517	1,791,820	5,386,376	8,327,723
Leases	1,577,881	1,455,135	3,121,719	14,233,399	20,388,134
	2,470,731	2,313,492	5,816,059	21,816,378	32,416,660

continued...

21. **FINANCIAL LIABILITIES - BORROWINGS - continued**

Bank loans and overdrafts

The Bank loan is repaid in monthly instalments until March 2035 after which time the amount outstanding will be repayable in full. Interest on the loan is charged at 2.25% per annum above the Bank of England base rate. This bank loan relates to Tom White Waste Limited and has been settled as part of the balance sheet restructure in 2024/25.

Other Loans

Other loans represent amounts payable to Coventry City Council under loan agreements and are repayable in quarterly instalments with interest rates ranging from 5.15% to 6.75%. The loans are secured by way of a fixed charge against leasehold property and a floating charge on all undertakings of the Coombe Abbey Park Limited.

Secured debts:

Bank loans are secured by way of a fixed charge against property, plant and equipment of Tom White Waste Limited and a floating charge on all undertakings of Tom White Waste Limited.

Other loans are secured against Property, Plant and Equipment of the group as stated in note 13.

The Group's obligations under leases are secured by the lessors' title to the leased assets.

22. **LEASING**

Group
Right-of-use assets

Property, plant and equipment

	2024	2023
	£	£
COST OR VALUATION		
At 1 April 2023	21,766,338	17,843,260
Additions	2,618,862	4,063,854
Disposals	(118,500)	(309,000)
Revaluations	(418,077)	247,519
Transfer to ownership	(2,159,503)	(79,295)
	21,689,120	21,766,338
DEPRECIATION		
At 1 April 2023	1,271,499	267,639
Charge for year	1,681,768	1,128,126
Eliminated on disposal	(50,930)	(82,400)
Transfer to ownership	(1,665,285)	(41,866)
	1,237,052	1,271,499
NET BOOK VALUE	20,452,068	20,494,839

continued...

22. **LEASING - continued**

Group

Group
Other leases

	2024	2023
	£	£
Short-term leases	34,260	-
Low-value assets leases	13,127	12,102
Variable lease payments	50,772	38,782

Group
Lease liabilities

Minimum lease payments fall due as follows:

	2024	2023
	£	£
Gross obligations repayable:		
Within one year	2,633,132	2,231,603
Between one and five years	8,213,677	6,939,270
In more than five years	69,833,314	71,036,878
	80,680,123	80,207,751
Finance charges repayable:		
Within one year	1,055,251	974,756
Between one and five years	3,636,823	3,575,367
In more than five years	55,599,915	56,390,982
	60,291,989	60,941,105
Net obligations repayable:		
Within one year	1,577,881	1,256,847
Between one and five years	4,576,854	3,363,903
In more than five years	14,233,399	14,645,896
	20,388,134	19,266,646

continued...

22. **LEASING - continued**

Group

The Group leases Land and Buildings, Plant and Machinery and Motor Vehicles. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Leasehold Land and Buildings include a non-cancellable lease of the Coombe Abbey Hotel from Coventry City Council with a term of 125 years commencing November 2006. The lease payments are payable monthly in advance. The lease includes restrictions on the use of the asset.

In January 2022, the group entered into an agreement to lease land and buildings from Coventry City Council known as the War Memorial Park. The site includes two Cafes and an Ice Cream Kiosk. The minimum non-cancellable term of the lease is for the period commencing on 12th January 2022 and expiring on 31st May 2027. The lease includes restrictions on the use of the asset. The lease agreement includes variable lease payments based on revenues generated from the leased asset. The variable lease payments are not recognised in the lease liability.

In July 2022, the group entered into a ten-year lease agreement with a third party for open storage and ancillary site offices for annual minimum lease payments of £353,500. The lease liability is recognised in the financial statements at the present value of future minimum lease payments at 31 March 2024.

In February 2023, the group entered into a five-year sub-lease agreement with a third party to let part of the open storage site. The Group has classified the lease by reference to the right-of-use asset arising from the head lease and the sub-lease as lease income. During the term of the sub lease, the Group retains the lease liability and the right-of-use asset relating to the head lease in its statement of financial position, recognising depreciation charge for the right-of-use asset and interest on the lease liability and lease income from the sub lease. The leases include restrictions on the use of asset.

In the financial year, the group entered into a non-exclusive license agreement with Coventry City Council to access the land and property at St Mary's Guildhall for the purpose of managing the commercial operations of the site, as defined in the agreement. There are no lease payments due under the agreement which expires on 30th June 2024 and can be extended by up to 12 months on an annual basis.

Plant and machinery and Motor Vehicles include non-cancellable leases with terms ranging usually between one to five years. In some cases, the Group has entered into lease agreements ending in more than five years.

The weighted average incremental borrowing rate applied to measure lease liabilities during the period was 5%.

In the financial year, the group entered into a short term lease agreement where the right-of-use asset and corresponding lease liabilities has not been recognised in the statement of financial position. At 31st March 2024, total undiscounted lease payments due under this agreement is £4,794 (2023: £8,334).

continued...

23. FINANCIAL INSTRUMENTS

The Group holds or issues financial instruments to finance their operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations in Tom White Waste group (TWW) and Coombe Abbey Park group (CAPL) are financed by a mixture of retained profits, finance leases and term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £1.5m that can be accessed at commercial rates. Coventry City Council provided Coventry Municipal Holdings Ltd with a one-off working capital grant to support the operation of the company during the period.

Coventry City Council also approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

The group's main credit risk arises from trade debtors, being amounts owed by customers. The group offers credit terms to customers which are typically 30 days from invoice date.

The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The following table shows a maturity analysis of the group's trade debtors at 31st March 2024.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade debtors	3,605,557	2,722,310	260,161	42,215	580,871
	3,605,557	2,722,310	260,161	42,215	580,871

Liquidity risk
Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group aims to maintain sufficient levels of cash and cash equivalents to meet its obligations as they fall due.

A weekly cashflow is shared with the Board of Directors for Tom White and CAPL to highlight the financial impact of operational performance and to inform management of any action that maybe required. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Trade and other payables
The group monitors the level of expected cash inflows on trade and other receivables together with expected outflows on trade and other payables. At 31st March 2024, the expected inflows from trade debtors within 30 days was £2,722,310 and the expected outflows from trade creditors within 30 days was £1,655,807. The group holds cash reserves of £4,125,524 at the year end which is sufficient to enable the group to meet its expected cash outflows.

The following table shows a maturity analysis of the group's trade creditors at 31st March 2024.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade creditors	3,748,046	1,655,807	875,060	233,571	983,608
	3,748,046	1,655,807	875,060	233,571	983,608

Exposure to liquidity risk
The following table shows the contractual maturities of cash outflows of financial liabilities at the reporting date. The amounts are net and do not include contractual interest payments and exclude the impact of netting agreements.

	Total £	Less than 1 year £	1-2 years £	2-5 years £	More than 5 years £
Lease liabilities	20,388,134	1,577,881	1,455,135	3,121,719	14,233,399
Secured bank loans	3,700,803	300,840	300,840	902,520	2,196,603
Other loans	8,327,723	592,010	557,517	1,791,820	5,386,376
	32,416,660	2,470,731	2,313,492	5,816,059	21,816,378

With regards to bank loans and leases both Tom White Waste Ltd and Coombe Abbey Park Ltd meet the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses. Tom White Waste Ltd have regular meetings with their lender and providers of capital asset financing.

The group held cash and cash equivalents of £4,125,524 at 31st March 2024.

Coombe Abbey Park Limited has a line of credit amounting to £1,886,540 which can be accessed at commercial rates of which £1,500,000 relates to a working capital facility.

continued...

Market risk
Market risk is the risk that changes in market prices will affect the Groups income and expenditure or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Exposure to Interest rate risk
The group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the group to interest rate risk. Borrowings obtained at fixed rates expose the group to fair value risk.

Other loans
The interest rate on the current loans in place is fixed at the point the loans are drawn, mitigating exposure to interest rate risk.

Interest on Other Loans is charged at 4.5% per annum above the Bank of England base rate of interest. Other Loans represent amounts payable to Coventry City Council.

Bank loans
Interest on bank loans is charged at 2.25% per annum above the Bank of England base rate of interest.

At 31 March 2024 the Bank of England base rate was 5.25% compared to 4.25% at the previous reporting date. During the current financial year, the Bank of England's base rate was reduced to 4.5%. This is closely monitored by management and directors to ensure the group continues to meet its financial obligations for the foreseeable future. The directors will consider the impact of proposed changes in interest rate at each board meeting to assess the impact this will have on the available cash reserves to meet debt servicing costs alongside the impact on the forecast profits and consider the options available to best manage this.

Sensitivity Analysis: Secured Bank Loans
The following table shows a sensitivity analysis of how profit and loss would have been affected by changes in the interest rate on variable-rate instruments at the reporting date.

	Profit or Loss £	Equity £
Bank of England base rate at 5.5%	(13,648)	(13,348)
Bank of England base rate at 7.0%	(62,284)	(62,284)

24. DEFERRED TAX

Group

	2024 £	2023 £
Balance at 1 April	1,248,711	1,034,481
Charge to profit and loss	(92,257)	214,230
Balance at 31 March	1,156,454	1,248,711

24. DEFERRED TAX - continued

From 17 March 2020 the substantively enacted UK corporation tax rate was 19% as announced by the Government in the Spring Budget 2020. However, the UK corporation tax rate increased to 25% with effect from 1 April 2023 per Finance Bill 2021. This increased tax rate was substantively enacted on 24 May 2021. As a result, deferred tax has been calculated at a rate of 25%.

The group has tax losses available for offset against future trading profits of approximately £13.7m at 31st March 2024. A deferred tax asset in respect of these losses of £3.4m has not been recognised as the expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition in future trading years

25. PENSION COMMITMENTS

The group operates a defined contribution retirement benefit plan for all qualifying employees. The assets of the plans are held separately from those of the group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the group are reduced by the amount of forfeited contributions.

The total expense recognised in the statement of profit or loss and other comprehensive income of £293,061 (2023: £259,064) represents contributions payable to these plans by the group at rates specified in the rules of the plans. As at 31st March 2024 contributions of £57,819 (2023: £45,205) due in respect of the reporting period had not been paid over to the plans. The amounts were paid over subsequent to the end of the reporting period.

continued...

26. RELATED PARTY DISCLOSURES

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2024	2023	2024	2023
Current assets	£	£	£	£
Trade debtors	663,450	948,907	2,276	2,054

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Current liabilities:				
Trade creditors	1,074,049	753,037	-	-
Amounts owed to Group undertakings	11,329	503,882	-	-
Other creditors	71,653	71,653	-	-
Accruals and deferred income	920,000	1,073,218	-	-

Other entities with common control

	Group		Company	
	2024	2023	2024	20223
Current assets	£	£	£	£
Trade debtors	-	-	68,285	-

Financial liabilities payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2024	2023	2024	2023
Current liabilities:	£	£	£	£
Other loans	592,010	592,010	-	-
Lease liabilities	109,170	101,998	-	-
Non-current liabilities:				
Other loans	7,735,713	8,349,931	-	-
Lease liabilities	13,297,311	13,381,480	-	-

Right-of-use assets leased from related parties
The following right-of-use assets at the reporting date are relation to lease arrangements with related parties:

Coventry City Council:

	Group		Company	
	2024	2023	2024	2023
Non-current assets	£	£	£	£
Leasehold land and property	13,099,189	13,710,715	-	-

continued...

Transactions with related parties
The following transactions occurred with related parties during the period:

Coventry City Council:

	Group		Company	
	2024	2023	2024	2023
Income	£	£	£	£
Sales	5,287,445	4,111,064	150,363	151,002
Expenditure				
Management fees payable	-	-	-	-
Lease liability interest	692,786	697,619	-	-
Loan interest	432,152	471,574	-	-
Depreciation - right-of-use assets	193,470	175,898	-	-
Other costs	310,766	488,459	-	-

Other entities with common control

	Group		Company	
	2024	2023	2024	2023
Income	£	£	£	£
Sales	21,037	18,486	239,766	160,411

Remuneration of key management personnel
The remuneration of key management personnel of the group, who are also directors, is as follows

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Aggregate compensation - short term employee benefits	767,468	607,898	242,538	239,612

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

27. **EVENTS AFTER THE REPORTING PERIOD**

On 14th January 2025, the ultimate shareholder, Coventry City Council approved to undertake the sale and leaseback of the main operational site on Blackburn Road owned by Tom White Waste. Following approval, the legal documents have been executed and the transaction was completed on 27 January 2025. The impact of the transaction will be reflected in the accounts for 2024/25.

28. **ULTIMATE CONTROLLING PARTY**

The ultimate parent company and ultimate controlling party is Coventry City Council. The consolidated financial statements of the Coventry City Council are available from the registered office address as follows:

Coventry City Council
Council House
Coventry
CV1 5RR

REGISTERED NUMBER: 02700383 (England and Wales)

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD

1 JANUARY 2022 TO 31 MARCH 2023

FOR

COOMBE ABBEY PARK LIMITED

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the period 1 January 2022 to 31 March 2023

COOMBE ABBEY PARK LIMITED

COMPANY INFORMATION
for the period 1 January 2022 to 31 March 2023

DIRECTORS:	Mr R E Harrison Mrs P Mudhar Mr A J Walster Mr J C Cockell Mr P J Ward
SECRETARY:	Mr G S Sangha
REGISTERED OFFICE:	Coombe Abbey Hotel Brinklow Road Binley Coventry West Midlands CV3 2AB
REGISTERED NUMBER:	02700383 (England and Wales)
AUDITORS:	Luckmans Duckett Parker Limited Chartered Accountants Statutory Auditors 1110 Elliott Court Herald Avenue Coventry Business Park Coventry West Midlands CV5 6UB

GROUP STRATEGIC REPORT
for the period 1 January 2022 to 31 March 2023

The directors present their strategic report of the company and the group for the period 1 January 2022 to 31 March 2023.

FAIR REVIEW OF BUSINESS
The period under review covers the 15-month period of 1st January 2022 to 31st March 2023 to bring the financial reporting cycle in line with the wider group. The financial statements include two of the quietest quarters (January - March) within the hospitality sector which is reflected in the financial performance. The business continues to grow its footprint and is now operating 16 business outlets across five locations.

Revenue was strong in the period achieving a total of £13.6m. There was a strong start to the period but there was a clear plateau with post covid bookings and the impact of the cost of living crisis affecting customers disposable income. Even with this pressure the business secured revenue only £0.78m short of budget. There has been a shift in bookings from corporate bookings to more leisure and events. The relationship with Go Ape continues to strengthen with the leisure operation in Coombe Abbey Park delivering a good financial return and footfall to the site. This supported the decision to roll out a new attraction with Go Ape, in July 2023, with the introduction of mini rovers on site and a purpose built track.

Occupancy was lower than budgeted at 61.2% but the average room rate was 11.5% higher than budgeted. This saw a drop of £0.35m in revenue, but also a cost saving associated with servicing the rooms. The business actively monitors the market, balancing the room rates with bookings to secure a good share across the local market. Expenditure on food & beverage increased by £0.4m to budget meaning the secondary spends by guests was strong.

As seen across the sector, the business experienced increased costs due to inflationary pressures especially with food and beverage, laundry with some increases as high as 30% in year. The sector as a whole has struggled to recruit to key roles, due to a shortage of key posts, which is partly due to the impact of Brexit. This has led to higher staffing costs to recruit to these roles as well as increased agency spend. The impact of the national living wage increase, increased payroll costs by 6.6% in 2022 and 9.7% in 2023. The group was protected from the large increase in energy prices due to the nature of the current contracts in place, but this will be an area of focus on 2024/25.

The business suffered a flood within Park Priory (the bedroom block that is separate to the main hotel building) at the end of March 2023, which left 39 bedrooms out of action for three months, also affecting the financial operation into the first quarter of 2023/24.

The group has experienced some challenges in the period with the implementation of a new financial system which will improve the extraction of data to support operational performance and management decisions. Limited resources were available to support the implementation which led to this taking longer to embed the system and challenges in relation to capturing data, alongside changes within the finance team, which has contributed to delays in the publishing of the financial statements. The group applied for a group VAT registration number and changes to their accounting periods for VAT, which was delayed through no fault of their own. As such the group has not submitted a VAT return for 12 months in the accounts and holds a large VAT liability on the balance sheet of £1.3m which has partly been settled in 2023/24 with payments on accounts in year. The group is working with HMRC to get the returns submitted and time to pay.

The focus on the management team is to manage costs and make changes to continue to deliver the high quality service expected by visitors. The Board of Directors and the Management Team are working together to implement a number of changes to improve the financial position, some of these have been implemented in 2023/24 and future years.

At the year end the group has total equity of £399,681 (2021: £1,665,015).

GROUP STRATEGIC REPORT
for the period 1 January 2022 to 31 March 2023

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and execution of group strategy are subject to several risks.

The key business risks and uncertainties affecting the group are considered to relate to the competition from the hotels in the immediate locality of Coombe Abbey Hotel.

Financial Risk Management

The group is exposed to financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group by monitoring levels of debt finance and the related finance costs.

The hotel industry supply and demand cycle

The hotel industry operates in an inherently cyclical marketplace. A weakening of demand or an increase in market room supply may lead to downward pressure on room rates which in turn would lead to a negative effect on operating performance.

Whilst the Brexit Transition period has ended the full effects have yet to filter through to the supply chain. The new Immigration Policies for Sponsor Licence, Minimum Wage increases also provide their own set of challenges.

The group's management prepare timely forecast information and review past levels of business in order to react to the current economic climate.

Litigation

The group may be at risk from various parties with which it interacts, either through direct contractual arrangements, the provision of services or failure to comply with regulatory requirements such as health and safety regulations. The group has processes in place to manage the risks associated with its various contractual relationships and appropriate compliance programmes necessary to provide assurance in respect of regulatory obligations. The business has actively managed this risk through the new role of Head of Compliance, highlighting the importance the business places on health and safety and compliance.

KEY PERFORMANCE INDICATORS

The Directors monitor the performance of the hotel using standard industry key performance indicators to measure against budgetary expectation and year on year comparisons. They do so with reference to the unique trading circumstances associated with operating a hotel out of a 12th Century Abbey situated in 500 acres of Warwickshire parkland. These are reported to the Board on a monthly basis and are based on actual performance of the business vs budget as well as comparison to a local competitor set.

Key performance indicators that are captured regularly are:
- Revenue to budget
- Cost of sales to budget
- EBITDA
- Occupancy and average room rate
- Cost of sales for food and beverage across the different sites
- Average spend on various meals in the hotel
- Number of covers for each sitting
- Payroll and a percentage of revenue

These are closely monitored as they affect key decisions within the business. Balancing occupancy and average room rate helps drive revenue growth and manage demand. Revenue was strong in the period achieving £13.6m over the period, 93.8% of the budget. Occupancy was lower than budgeted at 61.2%, but the average room rate was 11.5% higher than budgeted. This saw a drop of £0.35m in revenue, but also a cost saving associated with servicing the rooms. The business actively monitors the market, balancing the room rates with bookings to secure a good share across the local market.

Expenditure on food & beverage increased by £0.4m to budget meaning the secondary spends by guests was strong. The business has been working closely with their procurement partner to manage and reduce the cost of sales to drive financial performance in 2023/24.

FUTURE DEVELOPMENTS

The group has continued to operate in 2023/24 and a budget has been agreed by the Board of Directors for 2024/25. The flood experienced in March 23, led to 39 bedrooms being out of action for a period of 3 months. Although the business was able to recover the costs incurred through insurance in place, including business interruption for a proportion of cost revenue, the teams have had to work hard to ensure the impact of the flood has not adversely affected the revenue position in 2023/24 and the reputation of the business.

There has been a change in Directors following the year end. John Gregg stepped down as Director in July 2023, with Paul Ward taking on this role as Non-Executive Director. The Board also appointed James Cockell as the industry sector Non-Executive Director from September 2023.

ON BEHALF OF THE BOARD:

Mr A J Walster - Director

21 May 2024

REPORT OF THE DIRECTORS
for the period 1 January 2022 to 31 March 2023

The directors present their report with the financial statements of the company and the group for the period 1 January 2022 to 31 March 2023.

PRINCIPAL ACTIVITY
The principal activities of the group have not changed during the period under review.

The main operation of Coombe Abbey Park Limited (CAPL) was the management of Coombe Abbey Hotel, set within Coombe Abbey Park. The hotel provides a number of services including accommodation, weddings and conferences, dining services including banquets and afternoon teas, and parkland which includes Go Ape course.

The two subsidiaries within the consolidated group accounts were incorporated on 19th April 2021. These are Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited (NOHM). These companies assist the group in achieving its objective of securing future developments including but not limited to outside operations within Coventry, enhancements to the existing site and potential acquisitions and/or management contracts.

The principal activity for Coombe Abbey Park (LACO) Limited in the period under review was that of managing the operations of St Mary's Guildhall and War Memorial Park on behalf of Coventry City Council ('the council'). The legal structure of the company is to deliver contracts on behalf of the Council where they have a hospitality, food and beverage or leisure requirement that meets the skills and experience of the Coombe Abbey team and demonstrates value for money for the Council.

No Ordinary Hospitality Management Limited's main activity in the period under review was the management of the historic cottages in Coventry city centre on behalf of the Historic Coventry Trust. This contract has now come to an end, but the business has also secured contracts with IXL and Stoneleigh Abbey. Any transactions in relation to these new contracts will be reflected in the accounts for 2023/24

DIVIDENDS
No dividends will be distributed for the period ended 31 March 2023.

RESEARCH AND DEVELOPMENT
No specific research and development activities have been undertaken during the year.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

Mr R E Harrison
Mrs P Mudhar
Mr A J Walster

Other changes in directors holding office are as follows:

Mr J C Cockell and Mr P J Ward were appointed as directors after 31 March 2023 but prior to the date of this report.

Mr J Gregg ceased to be a director after 31 March 2023 but prior to the date of this report.

FINANCIAL INSTRUMENTS

The subsidiaries in the group hold or issue financial instruments to finance their operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations are financed by a mixture of retained profits, finance leases and long term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £1.5m that can be accessed at commercial rates.

The Council approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year.

Liquidity risk

A weekly cashflow is shared with the Board of Directors to highlight the financial impact of operational performance and to inform any management action that maybe required. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Credit risk

The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs.

With regards to loans and leases, CAPL meets the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses.

POLITICAL DONATIONS AND EXPENDITURE

During the year under review and the previous period the group did not make any donations for political purposes.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The group has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis. The directors have considered the following factors in their assessment of going concern.

Although the business has been affected by a number of external factors across the sector, the revenue that has been generated in period has only fallen short of budgets by £0.78m, achieving £13.6m. The pressure faced by the business has been in relation to the management of the cost base, which has seen the business achieve a 27% gross profit margin compared to a budgeted position of 26%. Although every effort was made in the period to recover the additional cost pressure through sales, with events booked in advance this is not possible as the prices would be locked at the point of booking. There has been a review of the cost base and plans approved to save the business £0.25m over the 12 months, with further savings being explored. The savings should not affect the revenue position.

The financial period includes two of the quietest quarters (January - March) within the hospitality sector which is reflected in the financial performance of the group. All the debt financing and majority of lease liabilities are owed to the Coventry City Council, the ultimate controlling party. The Council has provided a letter of support confirming that if required, the Council would provide financial support to the group, including deferral of loan repayments and lease liability payments. The Directors do not foresee the business having to request such support.

The business is able to meet its current obligations on existing loans and lease commitments. These have been met in the period and payments will continue to be made in line with the agreements. The rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet at 31st March 2023 includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application. The business has set funds aside as part of the cashflow projections to ensure it can meet this liability.

The business has a strong cash position which is shared with the Board of Directors on a weekly basis and formally discussed as a 13 week position at each Board meeting. The cash position at the end of May was £0.9m across the business. The group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity in 2023/24. This investment is supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.

The budget for the group for 2023/24 and 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet). The business expects to achieve a positive EBITDA in 2023/24 and an improvement against the existing cost neutral EBITDA in the period.

To support the business and provide greater levels of challenge and scrutiny, the Board of Directors have appointed a sector specialist as a Non-Executive Director to the Board for all companies. The post holder should bring commercial expertise and ideas for growth alongside the overview of the current operation of the business was in post following the date under review.

The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. The ultimate controlling party, Coventry City Council, will provide financial support to the company if required.

REPORT OF THE DIRECTORS
for the period 1 January 2022 to 31 March 2023

ENGAGEMENT WITH EMPLOYEES
The group has complied with the equal opportunities policies of the Council, as the ultimate owner of the group that in summary are:
- Everybody should have an equal opportunity to contribute to and benefit from society.
- A diverse community is a positive asset to the City.

The employees in the group are aware of the strong links back to the Council and that any profits paid back as dividends would be utilised within the public sector to deliver front line services "profit with a purpose". The entities undertake briefings to share information that would affect employees and any changes in the business operation they should be aware of to undertake their role or the direction of travel for the organisation.

Disabled employees
The group does not currently have any disabled employees. The Employee Handbook supports the employment of people with disabilities and where possible the company will consider what reasonable adjustments or support may be appropriate.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 UK-adopted international accounting standards. 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr A J Walster - Director

21 May 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COOMBE ABBEY PARK LIMITED

Opinion
We have audited the financial statements of Coombe Abbey Park Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 March 2023 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion:
- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the UK;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page eight, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to designing audit procedures by tailoring and directing testing to aid and support the determined level of risk. In response, the procedures we perform to determine the level of risk include:

- Reference to past history and experience of the Entity
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Entity's procedures relating to:
  - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud.
  - assessment of the controls and processes that the Entity has in place to mitigate risk.

Our assessments included the identification of the following potential areas for fraud:

- Management override of control;
- Revenue recognition

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COOMBE ABBEY PARK LIMITED

We design audit procedures by tailored and directed testing to aid and support the determined level of risk. In response to the assessed risk we plan audit tests and procedures that target specific areas where misstatement may occur. These procedures and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We critically assessed the appropriateness and tested the application of the revenue and cost recognition policies
- We assessed the appropriateness of accounting journals and other adjustments made in the preparation of the financial statements
- We reviewed the Entity's accounting policies for non-compliance with relevant standards.
- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations

In performing an audit in accordance with UK-adopted international accounting standards and the Companies Act, we exercise professional judgement and maintain professional scepticism throughout the audit process.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
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 a Report of the Auditors 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.

Mr Ashwani Rishiraj FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

Date: 21st May 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the period 1 January 2022 to 31 March 2023

	Notes	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
CONTINUING OPERATIONS			
Revenue	4	13,636,905	6,767,585
Cost of sales		(9,950,118)	(4,328,683)
GROSS PROFIT		3,686,787	2,438,902
Other operating income	5	526,512	861,320
Administrative expenses		(4,841,166)	(2,843,975)
OPERATING (LOSS)/PROFIT		(627,867)	456,247
Finance costs	8	(1,417,622)	(1,062,358)
LOSS BEFORE INCOME TAX	9	(2,045,489)	(606,111)
Income tax	11	-	-
LOSS FOR THE PERIOD		(2,045,489)	(606,111)
OTHER COMPREHENSIVE INCOME			
Item that will not be reclassified to profit or loss:			
Revaluation of Leasehold land and buildings		780,155	-
Income tax relating to item that will not be reclassified to profit or loss		-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX		780,155	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(1,265,334)	(606,111)
Profit attributable to:			
Owners of the parent		(2,045,489)	(606,111)
Total comprehensive income attributable to:			
Owners of the parent		(1,265,334)	(606,111)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 March 2023

	Notes	2023 £	2021 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	9,123,210	8,971,222
Right-of-use			
Property, plant and equipment	13, 22	13,959,306	13,613,425
Investments	14	-	-
		23,082,516	22,584,647
CURRENT ASSETS			
Inventories	15	75,977	69,289
Trade and other receivables	16	1,221,929	1,076,665
Cash and cash equivalents	17	1,305,212	1,727,275
		2,603,118	2,873,229
TOTAL ASSETS		25,685,634	25,457,876
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	3,295,851	3,295,851
Revaluation reserve	19	780,155	-
Retained earnings	19	(3,676,325)	(1,630,836)
TOTAL EQUITY		399,681	1,665,015
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	21,227,483	21,276,612
CURRENT LIABILITIES			
Trade and other payables	20	2,658,597	1,356,181
Contract liabilities	4	668,001	717,361
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	731,872	442,707
		4,058,470	2,516,249
TOTAL LIABILITIES		25,285,953	23,792,861
TOTAL EQUITY AND LIABILITIES		25,685,634	25,457,876

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2024 and were signed on its behalf by:

Mr R E Harrison - Director

COMPANY STATEMENT OF FINANCIAL POSITION
31 March 2023

	Notes	2023 £	2021 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	8,847,786	8,971,222
Right-of-use			
Property, plant and equipment	13, 22	13,879,069	13,613,425
Investments	14	2	2
Trade and other receivables	16	252,000	-
		22,978,857	22,584,649
CURRENT ASSETS			
Inventories	15	66,780	69,289
Trade and other receivables	16	1,202,554	1,072,815
Cash and cash equivalents	17	1,052,123	1,727,275
		2,321,457	2,869,379
TOTAL ASSETS		25,300,314	25,454,028
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	3,295,851	3,295,851
Revaluation reserve	19	780,155	-
Retained earnings	19	(3,582,550)	(1,634,684)
TOTAL EQUITY		493,456	1,661,167
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	21,160,196	21,276,612
CURRENT LIABILITIES			
Trade and other payables	20	2,291,664	1,356,181
Contract liabilities	4	668,001	717,361
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	686,997	442,707
		3,646,662	2,516,249
TOTAL LIABILITIES		24,806,858	23,792,861
TOTAL EQUITY AND LIABILITIES		25,300,314	25,454,028

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2024 and were signed on its behalf by:

Mr R E Harrison - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period 1 January 2022 to 31 March 2023

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2021	3,295,851	(1,024,725)	-	2,271,126
Changes in equity				
Total comprehensive income	-	(606,111)	-	(606,111)
Balance at 31 December 2021	3,295,851	(1,630,836)	-	1,665,015
Changes in equity				
Total comprehensive income	-	(2,045,489)	780,155	(1,265,334)
Balance at 31 March 2023	3,295,851	(3,676,325)	780,155	399,681

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
for the period 1 January 2022 to 31 March 2023

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2021	3,295,851	(1,024,725)	-	2,271,126
Changes in equity				
Total comprehensive income	-	(609,959)	-	(609,959)
Balance at 31 December 2021	3,295,851	(1,634,684)	-	1,661,167
Changes in equity				
Total comprehensive income	-	(1,947,866)	780,155	(1,167,711)
Balance at 31 March 2023	3,295,851	(3,582,550)	780,155	493,456

CONSOLIDATED STATEMENT OF CASH FLOWS
for the period 1 January 2022 to 31 March 2023

	Notes	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	1,436,472	172,913
Interest paid		(448,856)	(92,957)
Lease interest paid		(878,125)	(697,827)
Net cash from operating activities		109,491	(617,871)
Cash flows from investing activities			
Purchase of tangible fixed assets		(535,807)	(251,323)
Sale of tangible fixed assets		-	3,226
Net cash from investing activities		(535,807)	(248,097)
Cash flows from financing activities			
New loans in year		620,000	3,645,992
Loan repayments in year		(510,171)	(1,305,056)
Payment of lease liabilities		(105,576)	(76,664)
Net cash from financing activities		4,253	2,264,272
(Decrease)/increase in cash and cash equivalents		(422,063)	1,398,304
Cash and cash equivalents at beginning of period	2	1,727,275	328,971
Cash and cash equivalents at end of period	2	1,305,212	1,727,275

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
for the period 1 January 2022 to 31 March 2023

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Loss before income tax	(2,045,489)	(606,111)
Depreciation charges	963,235	671,295
Profit on disposal of fixed assets	-	(645)
Finance costs	1,417,622	1,062,358
	335,368	1,126,897
Increase in inventories	(6,688)	(41,491)
Increase in trade and other receivables	(145,264)	(774,228)
Increase/(decrease) in trade and other payables	1,302,416	(198,751)
(Decrease)/increase in contract liabilities	(49,360)	60,486
Cash generated from operations	1,436,472	172,913

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Period ended 31 March 2023

	31.3.23 £	1.1.22 £
Cash and cash equivalents	1,305,212	1,727,275

Year ended 31 December 2021

	31.12.21 £	1.1.21 £
Cash and cash equivalents	1,727,275	328,971

1. **STATUTORY INFORMATION**

Coombe Abbey Park Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

Coombe Abbey Park Group consists of Coombe Abbey Park Limited, Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited.

2. **ACCOUNTING POLICIES**

Basis of preparation
These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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

The group has changed its accounting framework from FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) to UK-adopted international accounting standards. Further information can be found in the notes to the financial statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

Reporting period
These financial statements are prepared for the period 1st January 2022 to 31 March 2023. The comparative results are for the year ended 31 December 2021. The company changed its financial period end date to align with the group in which it is a member.

The principal accounting policies adopted are set out below.

Going concern
The directors have prepared the financial statements on the going concern basis. The directors have considered the following factors in their assessment of going concern.

Although the business has been affected by a number of external factors across the sector, the revenue that has been generated in period has only fallen short of budgets by £0.78m, achieving £13.6m. The pressure faced by the business has been in relation to the management of the cost base, which has seen the business achieve a 27% gross profit margin compared to a budgeted position of 26%. Although every effort was made in the period to recover the additional cost pressure through sales, with events booked in advance this is not possible as the prices would be locked at the point of booking. There has been a review of the cost base and plans approved to save the business £0.25m over the 12 months, with further savings being explored. The savings should not affect the revenue position.

continued...

The financial period includes two of the quietest quarters (January - March) within the hospitality sector which is reflected in the financial performance of the group. All the debt financing and majority of lease liabilities are owed to the Coventry City Council, the ultimate controlling party. The Council has provided a letter of support confirming that if required, the Council would provide financial support to the group, including deferral of loan repayments and lease liability payments. The Directors do not foresee the business having to request such support.

The business is able to meet its current obligations on existing loans and lease commitments. These have been met in the period and payments will continue to be made in line with the agreements. The rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet at 31st March 2023 includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application. The business has set funds aside as part of the cashflow projections to ensure it can meet this liability.

The business has a strong cash position which is shared with the Board of Directors on a weekly basis and formally discussed as a 13 week position at each Board meeting. The cash position at the end of May was £0.9m across the business. The group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity in 2023/24. This investment is supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.

The budget for the group for 2023/24 and 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet). The business expects to achieve a positive EBITDA in 2023/24 and an improvement against the existing cost neutral EBITDA in the period.

To support the business and provide greater levels of challenge and scrutiny, the Board of Directors have appointed a sector specialist as a Non-Executive Director to the Board for all companies. The post holder should bring commercial expertise and ideas for growth alongside the overview of the current operation of the business was in post following the date under review.

The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. The ultimate controlling party, Coventry City Council, will provide financial support to the company if required.

Basis of consolidation
The group's financial statements incorporate the results, cash flows, assets and liabilities of Coombe Abbey Park Limited and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

Business combinations are recognised using the acquisition method of accounting.

Subsidiaries
Subsidiaries are entities controlled by the group. The group control's an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

continued...

2. **ACCOUNTING POLICIES - continued**

Revenue recognition
Revenue is recognised at the fair value of the consideration received or receivable for 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 and settlement discounts.

Revenue represents the provision of hotel accommodation, the sale of food and beverages and the provision of room hire and other services. All revenue arises wholly in the United Kingdom.

Sale of goods
Revenue from the sale of goods are recognised when control of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods.

Rendering of services
Revenue from providing services, where performance obligations are satisfied over time, is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule which has usually been set to be broadly aligned with the volume of work performed. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management

Other operating income
Other operating income relates to joint ventures operations. Where the company has a long term interest and shares control under a contractual arrangement over an economic activity which uses the company's assets and resources but is not set up in a separate entity, the company recognises its assets, liabilities and expenses and a share of income earned from the jointly controlled operation.

Dividend and interest income
Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established. Each is then shown separately in the statement of profit or loss and other comprehensive income.

Cash and cash equivalents
Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

continued...

2. **ACCOUNTING POLICIES - continued**

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.

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:

Assets under construction	-	not depreciated as not yet in use
Leasehold land and buildings	-	Over 50 years
Plant and machinery	-	Between 5-20 years straight line
Fixtures and fittings	-	10 years straight line
Motor vehicles	-	25% on reducing balance

Depreciation begins when the asset is available for use and continues until the asset is derecognised, even if it is idle.

The gain or loss 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 and loss.

Leasehold land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation and impairment for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Fixed asset investments
In the individual entity financial statements, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

continued...

2. ACCOUNTING POLICIES - continued

Impairment of property, plant and equipment
At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated, which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

In estimating the fair value of an asset, the entity uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the entity engages qualified third-party valuers to perform such valuations. The Board of Directors work with these valuers to establish an appropriate technical approach, understanding of the asset and to establish the inputs.

Value in use is calculated using estimated cash flows. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation/amortisation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of profit or loss and other comprehensive income as an impairment loss.

Financial instruments
Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss) are added to or deducted from the fair value as appropriate, on initial recognition.

Financial assets
Financial assets are subsequently classified into the following specified categories:
- financial assets at fair value through profit or loss, including held for trading;
- fair value through other comprehensive income; or
- amortised cost.

The classification depends on the nature and purpose of the financial asset (ie. the company's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

Financial assets are classified at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss.

continued...

2. ACCOUNTING POLICIES - continued

Financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities at amortised cost, which are measured using the effective interest method. At present the company does not have any financial liabilities at FVTPL.

Fair values

Fair value is the amounts for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the financial statements.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the debt instrument, or a shorter period, on the net carrying amount on initial recognition.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined on a first in first out (FIFO) basis. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation.

Taxation

Income taxes include all taxes based upon the taxable profits of the company. Other taxes not based on income, such as property and capital taxes, are included within operating expenses or financial expenses according to their nature.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

continued...

2. **ACCOUNTING POLICIES - continued**

Leases
The company applies IFRS 16 Leases. Accordingly leases are all accounted for in the same manner:
- A right of use asset and lease liability is recognised on the statement of financial position, initially measured at the present value of future lease payments;
- Depreciation of right-of-use assets and interest on lease liabilities are recognised in the statement of comprehensive income;
- The total amount of cash paid is recognised in the statement of cash flows, split between payments of principal (within financing activities) and interest (also within financing activities).

The initial measurement of the right of use asset and lease liability takes into account the value of lease incentives such as rent free periods.

The costs of leases of low value items and those with a short term at inception are recognised as incurred.

Employee benefit costs
The company's contributions to defined contribution plans are charged to the statement of profit or loss and other comprehensive income in the period to which the contributions relate.

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

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

Provisions
Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

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.

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

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3. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Deferred tax asset
The company has tax losses available for offset against future trading profits of approximately £7.5m (2021: £6.4m) at the period end. A deferred tax asset in respect of part of these losses of £1.9m (2021 - £1.6m) has not been recognised as the timing of expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition of these in future years as the current restrictions on trading activity arising from Government policy are reviewed.

Accruals
Estimation is required in determining an appropriate amount to accrue in respect of uninvoiced expenses. The amounts accrued are based on managements best estimate of such costs after considering works performed to the year end date.

4. REVENUE

Revenue from contracts with customers

Disaggregation of revenue
The group generates revenue primarily from Hospitality services.

	2023	2021
	£	£
Rendering of services	6,287,229	2,810,354
Sale of goods	7,349,676	3,957,231
	13,636,905	6,767,585

continued...

4. REVENUE - continued

Disaggregation of revenue
The following table shows revenue from contracts with customers disaggregated by major products and service lines. All revenues are generated in the UK.

Major Service lines	2023	2021
	£	£
Accommodation	3,879,396	1,907,436
Food, beverages and catering	7,349,676	3,957,231
Room and marquee hire	1,034,397	483,193
Other services	1,373,436	419,725
	13,636,905	6,767,585

Timing of Revenue Recognition:	2023	2021
	£	£
Revenue recognised at a point in time	13,515,356	6,716,504
Revenue recognised over time	121,549	51,081
	13,636,905	6,767,585

The performance obligations from Accommodation revenues are satisfied at a point in time when the rooms are occupied by customers. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms or within 30 days.

The performance obligations from food, beverage and catering revenues are recognised at a point in time when the goods are transferred to the buyer. Invoices for food and beverage revenues are raised on the date the goods are transferred and are usually payable immediately with no payment terms. Invoices for Catering revenues are partially raised in advance of services resulting in a Contract Liability as shown below, with the remaining balance being invoiced on completion of service and payable immediately.

The performance obligations from room hire and marquee revenues are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms.

For larger corporate events, the performance obligations are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable within 30 days. For weddings the performance obligations are satisfied in advance of the event, with deposits taken at the point of booking and the balance settled before the event. With any additional costs incurred on the day being satisfied at a point in time when the services are provided.

continued...

4. **REVENUE - continued**

Contract balances

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Receivables included in "Trade and other receivables"	1,032,078	409,728

Contract liabilities

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Current		
Contract liabilities	668,001	717,361

A trade receivable is recognised when the group has issued an invoice and has unconditional right to receive payment. The invoice is typically issued as the performance obligations are satisfied.

Contract liabilities are recognised when payment is received from customers before the respective performance obligation is satisfied.

5. **OTHER OPERATING INCOME**

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Other income	526,512	403,183
Government grants	-	458,137
	526,512	861,320

During the year, the group received £nil (2021: £415,280) from the UK Government in respect of the Coronavirus Job Retention Scheme as a result of the Covid-19 pandemic and £nil (2021: £42,857) Local Restriction Support Grant (LRSG).

6. **EMPLOYEES AND DIRECTORS**

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Wages and salaries	5,429,311	2,720,221
Social security costs	382,805	190,880
Other pension costs	79,984	38,924
	5,892,100	2,950,025

6. **EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the period was as follows:

	Period 1.1.22 to 31.3.23	Year Ended 31.12.21
Management and administration	23	24
Hotel and banquets	302	168
	325	192

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Directors' remuneration	176,850	16,042
Directors' pension contributions to money purchase schemes	8,218	726

7. **EXCEPTIONAL ITEMS**

Exceptional items of £117,615 include costs for investigating and planning a proposed new redevelopment of the Coombe Abbey Hotel. It was subsequently decided that the redevelopment would not go ahead.

8. **NET FINANCE COSTS**

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Finance costs:		
Loan interest	539,497	364,531
Hire purchase	1,269	2,933
Leasing	876,856	694,894
	1,417,622	1,062,358

Loan interest represents amounts payable to Coventry City Council in respect of interest charged on loan balances.

9. **LOSS BEFORE INCOME TAX**

The loss before income tax is stated after charging/(crediting):

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Cost of inventories recognised as expense	2,645,482	1,185,744
Leases	50,884	79,672
Depreciation - owned assets	669,117	473,402
Depreciation - assets on hire purchase contracts and finance leases	294,118	197,893
Profit on disposal of fixed assets	-	(645)

continued...

10. AUDITORS' REMUNERATION

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Fees payable to the company's auditors for the audit of the company's financial statements	32,507	25,048
Taxation compliance services	1,500	-

11. INCOME TAX

Analysis of tax expense
No liability to UK corporation tax arose for the period ended 31 March 2023 nor for the year ended 31 December 2021.

Factors affecting the tax expense
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Loss before income tax	(2,045,489)	(606,111)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(388,643)	(115,161)
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	5,263	770
Permanent capital allowances in excess of depreciation	58,164	55,122
Adjustments for deferred tax rates	-	(379,218)
Deferred tax not recognised	325,216	438,487
Tax expense	-	-

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 31 March 2023.

12. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(1,947,866) (2021 - £(609,959)).

continued...

13. PROPERTY, PLANT AND EQUIPMENT

Group

	Assets under construction £	Leasehold land and buildings £	Improvements to property £
COST OR VALUATION			
At 1 January 2022	207,677	32,597,197	-
Additions	-	145,141	293,007
Disposals	-	-	-
Revaluations	-	780,155	-
Reclassification/transfer	(207,677)	-	-
At 31 March 2023	-	33,522,493	293,007
DEPRECIATION			
At 1 January 2022	-	10,985,787	-
Charge for period	-	616,109	48,834
Eliminated on disposal	-	-	-
At 31 March 2023	-	11,601,896	48,834
NET BOOK VALUE			
At 31 March 2023	-	21,920,597	244,173
At 31 December 2021	207,677	21,611,410	-

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 January 2022	3,250,014	2,560,240	43,618	38,658,746
Additions	220,078	66,369	-	724,595
Disposals	-	(266,732)	-	(266,732)
Revaluations	-	-	-	780,155
Reclassification/transfer	207,677	-	-	-
At 31 March 2023	3,677,769	2,359,877	43,618	39,896,764
DEPRECIATION				
At 1 January 2022	2,950,555	2,105,901	31,856	16,074,099
Charge for period	180,768	114,479	3,045	963,235
Eliminated on disposal	-	(223,086)	-	(223,086)
At 31 March 2023	3,131,323	1,997,294	34,901	16,814,248
NET BOOK VALUE				
At 31 March 2023	546,446	362,583	8,717	23,082,516
At 31 December 2021	299,459	454,339	11,762	22,584,647

continued...

13. PROPERTY, PLANT AND EQUIPMENT - continued

Group

Coventry City Council hold a fixed and floating charge over leasehold property known as Coombe Abbey , Brinklow Road, Binley, Coventry, CV3 2AB, land registry title WK447538 and a floating charge on all undertakings of the group.

Leasehold land and buildings and Plant and Machinery include right-of-use assets as shown in note 22.

Cost or valuation at 31 March 2023 is represented by:

	Leasehold land and buildings £	Improvements to property £	Plant and machinery £
Valuation in 2023	780,155	-	-
Cost	32,742,338	293,007	3,677,769
	33,522,493	293,007	3,677,769

	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2023	-	-	780,155
Cost	2,359,877	43,618	39,116,609
	2,359,877	43,618	39,896,764

The leasehold land and buildings were independently valued on a fair value basis at 31st March 2023 by a member of the Royal Institute of Chartered Surveyors. At 31st December 2021 the fair value of the leasehold land and buildings was not materially different to the carrying value.

continued...

13. PROPERTY, PLANT AND EQUIPMENT - continued

Company

	Assets under construction £	Leasehold land and buildings £	Plant and machinery £
COST OR VALUATION			
At 1 January 2022	207,677	32,597,197	3,250,014
Additions	-	40,833	182,577
Disposals	-	-	-
Revaluations	-	780,155	-
Reclassification/transfer	(207,677)	-	207,677
At 31 March 2023	-	33,418,185	3,640,268
DEPRECIATION			
At 1 January 2022	-	10,985,787	2,950,555
Charge for period	-	592,038	174,518
Eliminated on disposal	-	-	-
At 31 March 2023	-	11,577,825	3,125,073
NET BOOK VALUE			
At 31 March 2023	-	21,840,360	515,195
At 31 December 2021	207,677	21,611,410	299,459

	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 January 2022	2,560,240	43,618	38,658,746
Additions	66,369	-	289,779
Disposals	(266,732)	-	(266,732)
Revaluations	-	-	780,155
Reclassification/transfer	-	-	-
At 31 March 2023	2,359,877	43,618	39,461,948
DEPRECIATION			
At 1 January 2022	2,105,901	31,856	16,074,099
Charge for period	114,479	3,045	884,080
Eliminated on disposal	(223,086)	-	(223,086)
At 31 March 2023	1,997,294	34,901	16,735,093
NET BOOK VALUE			
At 31 March 2023	362,583	8,717	22,726,855
At 31 December 2021	454,339	11,762	22,584,647

continued...

13. PROPERTY, PLANT AND EQUIPMENT - continued

Company

Coventry City Council hold a fixed and floating charge over leasehold property known as Coombe Abbey , Brinklow Road, Binley, Coventry, CV3 2AB, land registry title WK447538 and a floating charge on all undertakings of the company.

Leasehold land and buildings and Plant and Machinery include right-of-use assets as shown in note 22.

Cost or valuation at 31 March 2023 is represented by:

	Leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2023	780,155	-	-	-	780,155
Cost	32,638,030	3,640,268	2,359,877	43,618	38,681,793
	33,418,185	3,640,268	2,359,877	43,618	39,461,948

The leasehold land and buildings were independently valued on a fair value basis at 31st March 2023 by a member of the Royal Institute of Chartered Surveyors. At 31st December 2021 the fair value of the leasehold land and buildings was not materially different to the carrying value.

14. INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 January 2022 and 31 March 2023	2
NET BOOK VALUE	
At 31 March 2023	2
At 31 December 2021	2

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Coombe Abbey Park (LACO) Limited
Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, West Midlands, United
Nature of business: Hospitality services

Class of shares:	% holding
Ordinary	100.00

	2023 £	2021 £
Aggregate capital and reserves	(51,932)	925
(Loss)/profit for the period/year	(52,857)	924

continued...

14. INVESTMENTS - continued

Company

No Ordinary Hospitality Management Limited
Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, West Midlands, United
Nature of business: Hospitality services

Class of shares:	% holding
Ordinary	100.00

	2023 £	2021 £
Aggregate capital and reserves	(41,841)	2,925
(Loss)/profit for the period/year	(44,766)	2,924

On 19 April 2021, the company incorporated two new subsidiaries Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited. These were to assist the company in achieving its objective of securing future developments including but not limited to outside operations within Coventry, enhancements to the existing site and potential acquisitions and/or Management Contract.

15. INVENTORIES

	Group 2023 £	Group 2021 £	Company 2023 £	Company 2021 £
Finished goods	75,977	69,289	66,780	69,289

16. TRADE AND OTHER RECEIVABLES

	Group 2023 £	Group 2021 £	Company 2023 £	Company 2021 £
Current:				
Trade debtors	1,032,078	409,728	298,263	409,728
Amounts owed by group undertakings	-	-	734,200	47,232
Other debtors	77,570	480,657	75,070	429,575
Prepayments and accrued income	112,281	186,280	95,021	186,280
	1,221,929	1,076,665	1,202,554	1,072,815
Non-current:				
Amounts owed by group undertakings	-	-	252,000	-
Aggregate amounts	1,221,929	1,076,665	1,454,554	1,072,815

17. CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2021 £	Company 2023 £	Company 2021 £
Cash in hand	4,937	-	4,937	-
Bank accounts	1,300,275	1,727,275	1,047,186	1,727,275
	1,305,212	1,727,275	1,052,123	1,727,275

continued...

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2021 £
6,001	Ordinary share capital	£0.01	60	60
3,295,791	Deferred shares	£1	3,295,791	3,295,791
			3,295,851	3,295,851

Ordinary shares
Each ordinary share is entitled to one vote, receive dividends and entitles the holder to participate in a return of capital.

Deferred shares
Each deferred share is not entitled to vote, is entitled to receive an aggregate fixed cumulative annual dividend of £1 in total and entitles the holder to participate in a return of capital.

Preference share
Included in other creditors is £1 of preference shares. On winding up it shall receive no payment other than the nominal amount paid up for the share.

19. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2022	(1,630,836)	-	(1,630,836)
Deficit for the period	(2,045,489)		(2,045,489)
Revaluation of leasehold land and buildings	-	780,155	780,155
At 31 March 2023	(3,676,325)	780,155	(2,896,170)

Company

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2022	(1,634,684)	-	(1,634,684)
Deficit for the period	(1,947,866)		(1,947,866)
Revaluation of leasehold land and buildings	-	780,155	780,155
At 31 March 2023	(3,582,550)	780,155	(2,802,395)

continued...

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Current:				
Trade creditors	514,552	802,811	440,076	802,811
Social security and other taxes	1,492,785	174,963	1,236,967	174,963
Other creditors	100,877	71,652	100,877	71,652
Accruals and deferred income	550,383	306,755	513,744	306,755
	2,658,597	1,356,181	2,291,664	1,356,181

21. FINANCIAL LIABILITIES - BORROWINGS

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Current:				
Other loans	592,010	362,168	592,010	362,168
Leases (see note 22)	139,862	80,539	94,987	80,539
	731,872	442,707	686,997	442,707
Non-current:				
Other loans - 1-2 years	7,811,931	7,841,304	7,811,931	7,841,304
Leases (see note 22)	13,415,552	13,435,308	13,348,265	13,435,308
	21,227,483	21,276,612	21,160,196	21,276,612

Terms and debt repayment schedule

Group

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Other loans	592,010	592,010	1,478,868	5,741,053	8,403,941
Leases	139,862	104,331	223,368	13,087,853	13,555,414
	731,872	696,341	1,702,236	18,828,906	21,959,355

Company

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Other loans	592,010	592,010	1,478,868	5,741,053	8,403,941
Leases	94,987	83,230	177,182	13,087,853	13,443,252
	686,997	675,240	1,656,050	18,828,906	21,847,193

continued...

21. FINANCIAL LIABILITIES - BORROWINGS - continued

Other loans represent amounts payable to Coventry City Council under loan agreements and are repayable in quarterly instalments with interest rates ranging from 5.15% to 6.75%. The loans are secured by way of a fixed charge against leasehold property and a floating charge on all undertakings of the company.

22. LEASING

Group
Right-of-use assets

Property, plant and equipment

	2023 £	2021 £
COST OR VALUATION		
At 1 January 2022	13,811,318	13,723,969
Additions	145,141	87,349
Revaluations	494,858	-
	14,451,317	13,811,318
DEPRECIATION		
At 1 January 2022	197,893	-
Charge for year	294,118	197,893
	492,011	197,893
NET BOOK VALUE	13,959,306	13,613,425

Company
Right-of-use assets

Property, plant and equipment

	2023 £	2021 £
COST OR VALUATION		
At 1 January 2022	13,811,318	13,723,969
Additions	40,833	87,349
Revaluations	494,858	-
	14,347,009	13,811,318
DEPRECIATION		
At 1 January 2022	197,893	-
Charge for year	270,047	197,893
	467,940	197,893
NET BOOK VALUE	13,879,069	13,613,425

continued...

22. **LEASING - continued**

Group

Group
Other leases

	Period 1.1.22 to 31.3.23 £	Year Ended 31.12.21 £
Short-term leases	-	21,387
Low-value assets leases	12,102	5,545
Variable lease payments	38,782	52,740

Group
Lease liabilities

Minimum lease payments fall due as follows:

	2023 £	2021 £
Gross obligations repayable:		
Within one year	835,394	774,886
Between one and five years	3,058,119	3,014,805
In more than five years	69,186,716	70,103,663
	73,080,229	73,893,354
Finance charges repayable:		
Within one year	695,532	694,347
Between one and five years	2,730,420	2,738,880
In more than five years	56,098,863	56,944,280
	59,524,815	60,377,507
Net obligations repayable:		
Within one year	139,862	80,539
Between one and five years	327,699	275,925
In more than five years	13,087,853	13,159,383
	13,555,414	13,515,847

continued...

22. **LEASING - continued**

Group

The Group leases Land and Buildings and Plant and Machinery. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Leasehold Land and Buildings include a non-cancellable lease of the Coombe Abbey Hotel from Coventry City Council with a term of 125 years commencing November 2006. The monthly lease rentals are £54,792. The lease includes restrictions on the use of the asset.

Plant and Machinery include non-cancellable leases with terms ranging between one and five years. In some cases, the group has option to purchase assets at the end of the contract term.

In the financial period, the group entered into an agreement to lease land and buildings from Coventry City Council known as the War Memorial Park. The site includes two Cafes and an Ice Cream Kiosk. The minimum non-cancellable term of the lease is for the period commencing on 12th January 2022 and expiring on 31st May 2027. The minimum lease payments are £25,000 per annum. The lease includes restrictions on the use of the asset. The lease agreement includes variable lease payments based on revenues generated from the leased asset. The variable lease payments are not recognised in the lease liability.

In the financial period, the group entered into a non-exclusive license agreement with Coventry City Council to access the land and property at St Mary's Guildhall for the purpose of managing the commercial operations of the site, as defined in the agreement. There are no lease payments due under the agreement which expires on 30th June 2024 and can be extended by up to 12 months on an annual basis.

The weighted average incremental borrowing rate applied to measure lease liabilities during the period was 5.15%.

continued...

22. **LEASING - continued**

Company
Lease liabilities

Minimum lease payments fall due as follows:

	2023 £	2021 £
Gross obligations repayable:		
Within one year	785,394	774,886
Between one and five years	2,983,119	3,014,805
In more than five years	69,186,716	70,103,663
	72,955,229	73,893,354
Finance charges repayable:		
Within one year	690,407	694,347
Between one and five years	2,722,707	2,738,880
In more than five years	56,098,863	56,944,280
	59,511,977	60,377,507
Net obligations repayable:		
Within one year	94,987	80,539
Between one and five years	260,412	275,925
In more than five years	13,087,853	13,159,383
	13,443,252	13,515,847

continued...

23. FINANCIAL INSTRUMENTS

The group holds or issues financial instruments to finance its operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations in Coombe Abbey Park group ('the group') are financed by a mixture of retained profits, finance leases and term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £0.4m that can be accessed at commercial rates to invest in capital assets.

Coventry City Council also approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year. This facility has £1.5m available for working capital if required in the future.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

The group's main credit risk arises from trade debtors, being amounts owed by customers. The group offers credit terms to customers which are typically 30 days from invoice date.

The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs .

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The following table shows a maturity analysis of the group's trade debtors at 31st March 2023.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade debtors	1,032,078	832,976	51,802	49,325	97,975
	1,032,078	832,976	51,802	49,325	97,975

Liquidity risk
Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group aims to maintain sufficient levels of cash and cash equivalents to meet its obligations as they fall due.

A weekly cashflow is shared with the Board of Directors for CAPL to highlight the financial impact of operational performance and to inform management of any action that maybe required. The board have visibility of a 13 week cashflow at each monthly meeting as well as the group having a cashflow forecast to the period end. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Trade and other payables
The group monitors the level of expected cash inflows on trade and other receivables together with expected outflows on trade and other payables. At 31st March 2023, the expected inflows from trade debtors within 30 days was £832,976 and the expected outflows from trade creditors within 30 days was £375,933. The group holds cash reserves of £1,305,212 at the year end which is sufficient to enable the group to meet its expected cash outflows.

The following table shows a maturity analysis of the group's trade creditors at 31st March 2023.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade creditors	514,552	375,933	72,868	7,581	58,170
	514,552	375,933	72,868	7,581	58,170

Exposure to liquidity risk
The following table shows the contractual maturities of cash outflows of financial liabilities at the reporting date. The amounts are net and do not include contractual interest payments and exclude the impact of netting agreements.

	Total £	Less than 1 year £	1-2 years £	2-5 years £	More than 5 years £
Lease liabilities	13,555,414	139,862	104,331	223,368	13,087,853
Other loans	8,403,941	592,010	592,010	1,478,868	5,741,053
	21,959,355	731,872	696,341	1,702,236	18,828,906

With regards to loans and leases the group meets the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses.

The group held cash and cash equivalents of £1,305,212 at 31st March 2023.

The group has a line of credit amounting to £1,886,540 which can be accessed at commercial rates of which £1,500,000 relates to a working capital facility.

continued...

Market risk
Market risk is the risk that changes in market prices will affect the Groups income and expenditure or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Exposure to Interest rate risk
The group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the group to interest rate risk. Borrowings obtained at fixed rates expose the group to fair value risk

The interest rate on the current loans in place is fixed at the point the loans are drawn, mitigating exposure to interest rate risk.

Interest on Other Loans is charged at 4.5% per annum above the Bank of England base rate of interest. Other Loans represent amounts payable to Coventry City Council.

24. PENSION COMMITMENTS

The group operates a defined contribution retirement benefit plan for all qualifying employees. The assets of the plans are held separately from those of the group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the group are reduced by the amount of forfeited contributions.

The total expense recognised in the statement of profit or loss and other comprehensive income of £63,366 (2021: £38,198) represents contributions payable to these plans by the group at rates specified in the rules of the plans. As at 31st March 2023 contributions of £15,935 (2021: £10,657) due in respect of the reporting period had not been paid over to the plans. The amounts were paid over subsequent to the end of the reporting period.

continued...

25. RELATED PARTY TRANSACTIONS

Remuneration of key management personnel
The remuneration of key management personnel of the group, which includes directors, is as follows.

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Aggregate compensation	368,836	286,017	368,836	286,017

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2023	2021	2023	2021
Current assets	£	£	£	£
Trade receivables	703,295	-	600	-
Current liabilities:				
Trade creditors	89,518	27,120	75,041	27,120
Other creditors	71,653	71,653	71,653	71,653
Accruals and deferred income	273,218	372,477	273,218	372,477

Other entities with common control

	Group		Company	
	2023	2021	2023	2021
Current assets	£	£	£	£
Amounts owed by Group undertakings	-	-	734,200	47,232
Non-current assets				
Amounts owed by Group undertakings	-	-	252,000	-

Financial Liabilities with related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2023	2021	2023	2021
Current liabilities:	£	£	£	£
Other loans	592,010	362,168	592,010	362,168
Lease liabilities	101,998	45,646	57,123	45,646
Non-current liabilities:				
Other loans	7,811,931	7,841,304	7,811,931	7,841,304
Lease liabilities	13,381,480	13,385,145	13,314,194	13,385,145

continued...

Right-of-use assets leased from related parties
The following right-of-use assets at the reporting date are relation to lease arrangements with related parties:

Coventry City Council:

	Group		Company	
	2023	2021	2023	2021
Non-current assets	£	£	£	£
Leasehold land and property	13,710,715	13,353,386	13,630,478	13,353,386

Transactions with related parties
The following transactions occurred with related parties during the period:

Coventry City Council:

	Group		Company	
	2023	2021	2023	2021
Income	£	£	£	£
Sales	877,519	46,578	-	-
Expenditure				
Rates and water	467,725	164,977	467,725	164,977
Lease liability interest	871,284	690,389	863,431	690,389
Interest payable to group undertakings	539,497	364,531	539,497	364,531
Depreciation - right-of-use assets	241,837	163,602	217,766	163,602
Other	26,053	52,740	26,053	52,740

Other entities with common control

	Group		Company	
	2023	2021	2023	2021
Other Income	£	£	£	£
Interest income	-	-	22,901	-
Expenditure				
Loan interest	-	-	-	-
Other	-	-	-	-

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

26. **ULTIMATE CONTROLLING PARTY**

The immediate parent company is Coventry Municipal Holdings Limited whose registered office address is Council House, Coventry, CV1 5RR. The consolidated financial statements of Coombe Abbey Park Limited are incorporated in the consolidated financial statements of Coventry Municipal Holdings Limited which are available from this address.

The ultimate parent company and ultimate controlling party of Coombe Abbey Park Limited is Coventry City Council whose registered office address is Coventry City Council, Council House, Coventry, CV1 5RR. The consolidated financial statements of the group are available from this address.

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27. FIRST YEAR ADOPTION

The company has changed its accounting framework from FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) to UK-adopted international accounting standards. The date of transition was 1st January 2021.

The significant changes arising from transition to UK-adopted international accounting standards are the recognition of right-of-use assets and lease liabilities in accordance with IFRS 16 Leases. The company has applied the first-time adopter exemptions in respect of lease liabilities and right-of-use assets and has measured lease liabilities at the date of transition based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of transition. The adjustments as a result of the transition are shown below.

RECONCILIATION OF EQUITY
1 January 2021
(DATE OF TRANSITION TO IFRSS)

	FRS 102	Effect of transition to IFRSs	IFRSs
	£	£	£
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9,195,882	13,723,968	22,919,850
CURRENT ASSETS			
Inventories	27,798	-	27,798
Trade and other receivables	542,029	(239,592)	302,437
Cash and cash equivalents	328,971	-	328,971
	898,798	(239,592)	659,206
TOTAL ASSETS	10,094,680	13,484,376	23,579,056
SHAREHOLDERS' EQUITY			
Called up share capital	3,295,851	-	3,295,851
Retained earnings	(1,024,725)	-	(1,024,725)
	2,271,126	-	2,271,126
TOTAL EQUITY	2,271,126	-	2,271,126
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	4,234,586	(4,234,586)	-
Contract liabilities	46,727	-	46,727
Financial liabilities - borrowings			
Interest bearing loans and borrowings	7,085	17,643,074	17,650,159
	4,288,398	13,408,488	17,696,886
CURRENT LIABILITIES			
Trade and other payables	2,911,307	(1,356,375)	1,554,932
Contract liabilities	610,149	-	610,149
Financial liabilities - borrowings			
Interest bearing loans and borrowings	13,700	1,432,263	1,445,963
	3,535,156	75,888	3,611,044
TOTAL LIABILITIES	7,823,554	13,484,376	21,307,930
TOTAL EQUITY AND LIABILITIES	10,094,680	13,484,376	23,579,056

RECONCILIATION OF EQUITY - continued
31 December 2021

	FRS 102 £	Effect of transition to IFRSs £	IFRSs £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8,971,222	13,613,425	22,584,647
CURRENT ASSETS			
Inventories	69,289	-	69,289
Trade and other receivables	1,316,258	(239,593)	1,076,665
Cash and cash equivalents	1,727,275	-	1,727,275
	3,112,822	(239,593)	2,873,229
TOTAL ASSETS	12,084,044	13,373,832	25,457,876
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	3,295,851	-	3,295,851
Retained earnings	(1,495,907)	(134,929)	(1,630,836)
	1,799,944	(134,929)	1,665,015
TOTAL EQUITY	1,799,944	(134,929)	1,665,015
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	7,858,263	(7,858,263)	-
Financial liabilities - borrowings			
Interest bearing loans and borrowings	2,432	21,274,180	21,276,612
	7,860,695	13,415,917	21,276,612
CURRENT LIABILITIES			
Trade and other payables	2,418,752	(1,062,571)	1,356,181
Contract liabilities	-	(717,361)	(717,361)
Financial liabilities - borrowings			
Interest bearing loans and borrowings	4,653	438,054	442,707
	2,423,405	92,844	2,516,249
TOTAL LIABILITIES	10,284,100	13,508,761	23,792,861
TOTAL EQUITY AND LIABILITIES	12,084,044	13,373,832	25,457,876

RECONCILIATION OF LOSS
for the year ended 31 December 2021

	FRS 102	Effect of transition to IFRSs	IFRSs
	£	£	£
Revenue	6,767,585	-	6,767,585
Cost of sales	(4,888,518)	559,835	(4,328,683)
GROSS PROFIT	1,879,067	559,835	2,438,902
Other operating income	861,320	-	861,320
Administrative expenses	(2,844,105)	130	(2,843,975)
Finance costs	(367,464)	(694,894)	(1,062,358)
LOSS BEFORE TAX	(471,182)	(134,929)	(606,111)
LOSS FOR THE PERIOD	(471,182)	(134,929)	(606,111)
Loss attributable to:			
Owners of the parent	(471,182)	(134,929)	(606,111)

The notes form part of these financial statements

REGISTERED NUMBER: 02700383 (England and Wales)

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

FOR

COOMBE ABBEY PARK LIMITED

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2024

COOMBE ABBEY PARK LIMITED

COMPANY INFORMATION
for the year ended 31 March 2024

DIRECTORS:	Mr R E Harrison Mrs P Mudhar Mr A J Walster Mr J C Cockell Mr P J Ward
SECRETARY:	Mr G S Sangha
REGISTERED OFFICE:	Coombe Abbey Hotel Brinklow Road Binley Coventry West Midlands CV3 2AB
REGISTERED NUMBER:	02700383 (England and Wales)
AUDITORS:	Luckmans Duckett Parker Limited Chartered Accountants Statutory Auditors 1110 Elliott Court Herald Avenue Coventry Business Park Coventry West Midlands CV5 6UB

GROUP STRATEGIC REPORT
for the year ended 31 March 2024

The directors present their strategic report of the company and the group for the year ended 31 March 2024.

FAIR REVIEW OF BUSINESS
Revenue was strong in the 12 month period achieving a total of £12.0m compared to £13.6m in the 15 months prior. Coombe Abey Hotel remains the most significant revenue source within the group and although it has sustained a level of revenue, the hotel has experienced a number of cost pressures due to inflation and changes in consumer buying habits due to the impact of the cost-of-living crisis affecting customers disposable income. The hotel also suffered a major flood in March 2023 which impacted over 40 bedrooms and caused significant disruption and costs to the business. Although most costs have been recovered through insurance, including business interruption, this did not reimburse all costs. The hotel was without 30% of its bedroom stock for 2 months which affected the ability to grow occupancy and secondary spend, plus resulted in additional operational costs during that period.

Occupancy was lower than budgeted at 62.9% but the average room rate was 2.5% lower than budgeted. This contributed towards a shortfall of £0.49m in revenue at the hotel compared to the budget, but also resulted in a cost saving associated with servicing the rooms. The business actively monitors the market, balancing the room rates with bookings to secure a good share across the local market and nearest neighbours. CAPL also utilises support from revenue consultants to understand market trends and room rates to inform forecasts and pricing.

The business has continued to experience increased costs due to inflationary pressures especially in relation to food, beverage and laundry. The impact of the National Living Wage increase added a further £0.17m to the payroll and sector wide food costs increased by 10-20%. There has been a significant improvement in food cost of sales during the final quarter of 2023-24 to manage food cost of sales to below budget and now a greater focus on beverage cost of sales. Both of these metrics are now showing below budget in the current financial year and continue to be monitored monthly by the Board of Directors. During the year the group was protected from the large increases in energy prices due to the nature of the contracts in place and has now secured new arrangements that will help to manage these costs going forward. The nature of operating within a Grade one listed building has meant opportunities to reduce the cost base further have been limited, due to the nature and layout of the building, but there are plans to improve the aesthetics of key areas in the hotel in 2024/25 a beyond.

The relationship with Go Ape continues to strengthen with the leisure operation in Coombe Abbey Park delivering a good financial return and footfall to the site. This supported the decision to roll out a new attraction with Go Ape, in July 2023, with the introduction of mini rovers on site and a purpose-built track, which has proved successful along with a "stumped" treasure hunt activity added in year. August 2023 saw the opening of "Hermits Hollow" a new paid play facility that was funded by Coventry City Council and sits within Coombe Abbey Park but is operated by Coombe Abbey Park (LACo) Limited.

There continues to be challenges in relation to the group VAT registration and changes to the accounting periods for VAT, which has delayed the submission of VAT returns through no fault of the business. As such the group has not submitted a VAT return for a period over 12 months in the accounts and holds a large VAT liability on the balance sheet of £2.1m which has partly been settled in 2023/24 with payments on accounts in year. The group is working with HMRC to get the returns submitted and time to pay arrangements. Following the year end the returns for 2023-24 will be submitted online by the end of December 2024.

The focus of the management team is to manage costs and make changes to continue to deliver the high-quality service expected by visitors. During 2023 the Board of Directors appointed two new Non-Executive Directors to strengthen the skill set on the Board. Jim Cockell was appointed as the sector specialist with a background in running his own hotel and careers as a hospitality and revenue management consultant. Paul Ward also joined the Board as the Council representative, with a substantive role as the Director of ICT at Coventry City Council. In addition to this, the Company also restructured its finance team, making one of the Head of Finance roles redundant. There is still further work to do to strengthen the financial support provided by the team which remains ongoing.

GROUP STRATEGIC REPORT
for the year ended 31 March 2024

At the year-end the group has a negative equity position of £980,641 (2022/23: £399,681) as a result of the loss reported in the year. The company has a strong cash position and ends the year with £1.1m cash and cash equivalents on the balance sheet. Further details on the financial standing of the company are included under the going concern statement.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and execution of group strategy are subject to several risks.

The key business risks and uncertainties affecting the group are considered to relate to the competition from the hotels in the immediate locality of Coombe Abbey Hotel.

Financial Risk Management

The group is exposed to financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group by monitoring levels of debt finance and the related finance costs. The company has a strong cash position to meet its current and future financial liabilities. The Board of Directors receive a monthly cashflow forecast to support the financial position of the company.

The hotel industry supply and demand cycle

The hotel industry operates in an inherently cyclical marketplace. A weakening of demand or an increase in market room supply may lead to downward pressure on room rates which in turn would lead to a negative effect on operating performance. The management team have a close eye on trends and expected changes in the room rate and occupancy across the sector and use this information to inform the pricing and forecasts for the hotel. The new sector specific Non-Executive Director (NED) role on the Board provides a further mitigation for this risk, through challenge and experience they can bring to support key business decisions.

The group's management prepare timely forecast information and review past levels of business in order to react to the current economic climate. Information on key changes is reported to the Board of Directors on a monthly basis.

Litigation

The group may be at risk from various parties with which it interacts, either through direct contractual arrangements, the provision of services or failure to comply with regulatory requirements such as health and safety regulations. The group has processes in place to manage the risks associated with its various contractual relationships and appropriate compliance programmes necessary to provide assurance in respect of regulatory obligations. The business has actively managed this risk through the Head of Compliance, highlighting the importance the business places on health and safety and compliance.

SECTION 172(1) STATEMENT

The Directors of the Group and the respective subsidiary companies have complied with their duties under Section 172(1) of the Companies Act, with their role as Director, any decisions they make and their behaviour promoting the success of the group for the benefit of their members. This includes consideration as the long-term consequences of any decision. The Board of Directors require a business case to support investment decisions and a clear understanding of the risks, benefits, and net financial impact.

All companies in the group consider the interests of their employees and the need to foster business relationships with suppliers, customers, and other key stakeholders. No Ordinary Hospitality Management Ltd has been developed to be a strong hospitality brand which focuses on more than just operating Coombe Abbey Park Hotel but other hospitality contracts and ventures which would sit under this entity.

All entities consider the impact of their operations on the community and environment and work to maintain high standards of business conduct at all levels.

GROUP STRATEGIC REPORT
for the year ended 31 March 2024

KEY PERFORMANCE INDICATORS

The Directors monitor the performance of the hotel using standard industry key performance indicators to measure against budgetary expectation and year on year comparisons. They do so with reference to the unique trading circumstances associated with operating a hotel out of a 12th Century Abbey situated in 500 acres of Warwickshire parkland. These are reported to the Board on a monthly basis and are based on actual performance of the business vs budget as well as comparison to a local and similar hotels competitor set.

Key performance indicators that are captured regularly are:
- Revenue to budget
- Cost of sales to budget
- EBITDA
- Occupancy and average room rate
- Cost of sales for food and beverage across the different sites
- Average spend on various meals in the hotel
- Number of covers for each sitting
- Payroll and a percentage of revenue

These are closely monitored as they affect key decisions within the business. Balancing occupancy and average room rate helps drive revenue growth and manage demand. Revenue was strong in the period achieving £12.0m over the period, 97% of the consolidated budget for the group. Occupancy was lower than budgeted at 62.9% but the average room rate was 2.5% lower than budgeted. This contributed towards a reduction in revenue at the hotel compared to the budget of £0.49m, but also resulted in a cost saving associated with servicing the rooms. The business actively monitors the market, balancing the room rates with bookings to secure a good share across the local market.

The business has been working closely with their procurement partner to manage and reduce the cost of sales to drive financial performance in 2023/24, which was visible in the last quarter of the year with a 5-6% reduction in food purchase costs and continues to reduce in 2024/25.

ON BEHALF OF THE BOARD:

....
Mr A J Walster - Director

Date: 17th Dec 24

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2024.

PRINCIPAL ACTIVITY
The principal activities of the group have not changed during the period under review.

The main operation of Coombe Abbey Park Limited (CAPL) was the management of Coombe Abbey Hotel, set within Coombe Abbey Park. The hotel provides a number of services including accommodation, weddings and conferences, dining services including banquets and afternoon teas, and parkland which includes Go Ape course.

The two subsidiaries within the consolidated group accounts were incorporated on 19th April 2021. These are Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited (NOHM). These companies assist the group in achieving its objective of securing future developments including but not limited to outside operations within Coventry, enhancements to the existing site and potential acquisitions and/or management contracts.

The principal activity for Coombe Abbey Park (LACO) Limited in the period under review was that of managing the operations of St Mary's Guildhall and War Memorial Park on behalf of Coventry City Council ('the council'). The legal structure of the company is to deliver contracts on behalf of the Council where they have a hospitality, food and beverage or leisure requirement that meets the skills and experience of the Coombe Abbey team and demonstrates value for money for the Council.

No Ordinary Hospitality Management Limited's main activity in the period under review was seeking and managing bookings for contracts with IXL and Stoneleigh Abbey.

DIVIDENDS
No dividends will be distributed for the year ended 31 March 2024.

RESEARCH AND DEVELOPMENT
No specific research and development activities have been undertaken during the year.

FUTURE DEVELOPMENTS
There is a planned program of internal improvements in the event rooms and public spaces taking place in 2024/25 funded through existing capital and revenue resource within the business. There is also further work to consider how best to utilise the buildings on site to better meet the customer demand and revenue growth. This would continue in 2025/26 and possibly not be completed until the following year.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2023 to the date of this report.

Mr R E Harrison
Mrs P Mudhar
Mr A J Walster

Other changes in directors holding office are as follows:

Mr J Gregg - resigned 1 July 2023
Mr J C Cockell - appointed 1 September 2023
Mr P J Ward - appointed 27 September 2023

FINANCIAL INSTRUMENTS
The group hold or issue financial instruments to finance their operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations are financed by a mixture of retained profits, finance leases and long term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £1.5m that can be accessed at commercial rates.

The Council approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year.

Liquidity risk
A weekly cashflow is shared with the Board of Directors to highlight the financial impact of operational performance and to inform any management action that maybe required. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Credit risk
The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs.

With regards to loans and leases, CAPL meets the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses.

POLITICAL DONATIONS AND EXPENDITURE
During the year under review and the previous period the group did not make any donations for political purposes.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS
The group has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis. The directors have considered the following factors in their assessment of going concern.

Although the business has been affected by a number of external factors across the sector, the revenue that has been generated in year has only fallen short of budgets by £0.4m, achieving £12.0m as a group. The pressure faced by the business has been in relation to the management of the cost base as a result of the increases in payroll from the National Living Wage rise adding £0.17m to wages related costs and the wider inflationary increases from key suppliers, such a food and beverage, with sector wide food costs increasing by 10-20%. Even with this added pressure the business achieved a gross profit margin of 29% compared to a budgeted 29.3% for the hotel. Although every effort was made in the year to recover the additional cost pressure through sales, with events booked in advance this is not possible as the prices would be locked at the point of booking. There has been a review of the cost base and plans were approved and implemented to save the business £0.25m over the 12 months, with further savings being explored. Food purchasing has seen a significant improvement over the year with food cost of sale showing an improvement of between 5%-6% in the last 4 months of 2023/24, and this trend has continued into 2024/25 along with a reduction in beverage cost of sales.

The nature of operating within a Grade one listed building has meant opportunities to reduce the cost base further have been limited, due to the nature and layout of the building. Further work is underway to consider how best to utilise the available foot print of the site and drive growth in top line revenue. Work is due to take place in the final quarter of 2024/25 to improve the events and public spaces with further plans being considered for other areas in 2025/26. This will be funded through a mix of capital and revenue resources and has been built into the cashflow forecast.

All the debt financing and majority of lease liabilities are owed to the Coventry City Council, the ultimate controlling party. The Council has provided a letter of support confirming that if required, the Council would provide financial support to the group, including deferral of loan interest and loan capital repayments and lease liability payments. The Directors do not foresee the business having to request such support.

The business is able to meet its current obligations on existing loans and lease commitments. These have been met in the year and payments will continue to be made in line with the agreements. The rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet at 31st March 2024 includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application, this was through no fault of the company and the business has set funds aside as part of the cashflow projections over the next 24 months to ensure it can meet this liability. The VAT returns for 2023-24 will be submitted before the end of December 2024 and the company is seeking time to pay arrangements with HMRC to settle the liabilities.

The business has a strong cash position which is shared with the Senior Management Team on a weekly basis and formally discussed as a 13 week position at each Board monthly meeting. The cash position at the end of March 2024 was £1.1m across the group. The cashflow forecast for 24 months, demonstrates that the company has sufficient funds to meet its ongoing liabilities and continue to trade as a going concern. This includes the repayment of the VAT liability as well the current liabilities that would occur during that period.

The group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity. This investment was supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.
The budget for the group for 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet). The business achieved a positive EBITDA in 2023/24 and an improvement against the cost neutral EBITDA the year before period.

To support the business and provide greater levels of challenge and scrutiny, the Board of Directors have appointed a sector specialist as a Non-Executive Director to the Board for all companies, J Cockell who has supported the companies with his commercial expertise and ideas for growth alongside the overview of the current operation of the business.

The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. This decision is based on the current operation and the forecast cashflow position for the next two years. The ultimate controlling party, Coventry City Council, will provide financial support to the company if required.

ENGAGEMENT WITH EMPLOYEES

The group has complied with the equal opportunities policies of the Council, as the ultimate owner of the group that in summary are:
- Everybody should have an equal opportunity to contribute to and benefit from society.
- A diverse community is a positive asset to the City.

The employees in the group are aware of the strong links back to the Council and that any profits paid back as dividends would be utilised within the public sector to deliver front line services "profit with a purpose". The entities undertake briefings to share information that would affect employees and any changes in the business operation they should be aware of to undertake their role or the direction of travel for the organisation.

Disabled employees

The group does not currently have any disabled employees. The Employee Handbook supports the employment of people with disabilities and where possible the company will consider what reasonable adjustments or support may be appropriate.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

The Group's standard terms of payment are the same as Coventry City Council's i.e. 30 days from the date payment is due, receipt of invoice or delivery of goods, whichever is the later. Alternative payment terms are only made if specifically demanded for contractual purposes.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 UK-adopted international accounting standards. 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

....
Mr A J Walster - Director

Date: 17th Dec 24

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COOMBE ABBEY PARK LIMITED

Opinion

We have audited the financial statements of Coombe Abbey Park Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the UK;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COOMBE ABBEY PARK LIMITED

Opinions on other matters 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page eight, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to designing audit procedures by tailoring and directing testing to aid and support the determined level of risk. In response, the procedures we perform to determine the level of risk include:

- Reference to past history and experience of the Entity
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Entity's procedures relating to:

  - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud.
  - assessment of the controls and processes that the Entity has in place to mitigate risk.

Our assessments included the identification of the following potential areas for fraud:

- Management override of control;
- Revenue recognition

We design audit procedures by tailored and directed testing to aid and support the determined level of risk. In response to the assessed risk we plan audit tests and procedures that target specific areas where misstatement may occur. These procedures and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We critically assessed the appropriateness and tested the application of the revenue and cost recognition policies
- We assessed the appropriateness of accounting journals and other adjustments made in the preparation of the financial statements
- We reviewed the Entity's accounting policies for non-compliance with relevant standards.
- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations

In performing an audit in accordance with UK-adopted international accounting standards and the Companies Act, we exercise professional judgement and maintain professional scepticism throughout the audit process.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
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 a Report of the Auditors 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.

Ash R.Rishiraj

Mr Ashwani Rishiraj FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

Date: ...17th December 2024...

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2024

	Notes	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
CONTINUING OPERATIONS			
Revenue	4	11,954,232	13,636,905
Cost of sales		(8,368,664)	(9,950,118)
GROSS PROFIT		3,585,568	3,686,787
Other operating income	5	617,058	526,512
Administrative expenses		(3,831,083)	(4,841,166)
OPERATING PROFIT/(LOSS)		371,543	(627,867)
Finance costs	8	(1,093,603)	(1,417,622)
LOSS BEFORE INCOME TAX	9	(722,060)	(2,045,489)
Income tax	11	-	-
LOSS FOR THE YEAR		(722,060)	(2,045,489)
OTHER COMPREHENSIVE (LOSS)/INCOME			
Item that will not be reclassified to profit or loss:			
Revaluation of Leasehold land & building		(658,262)	780,155
Income tax relating to item that will not be reclassified to profit or loss		-	-
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF INCOME TAX		(658,262)	780,155
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(1,380,322)	(1,265,334)
Loss attributable to:			
Owners of the parent		(722,060)	(2,045,489)
Total comprehensive loss attributable to Owners of the parent		(1,380,322)	(1,265,334)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 March 2024

	Notes	2024 £	2023 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	8,532,852	9,123,210
Right-of-use			
Property, plant and equipment	13, 22	13,309,812	13,959,306
Investments	14	-	-
		21,842,664	23,082,516
CURRENT ASSETS			
Inventories	15	98,356	75,977
Trade and other receivables	16	996,645	1,221,929
Cash and cash equivalents	17	1,114,798	1,305,212
		2,209,799	2,603,118
TOTAL ASSETS		24,052,463	25,685,634
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	3,295,851	3,295,851
Revaluation reserve	19	121,893	780,155
Retained earnings	19	(4,398,385)	(3,676,325)
TOTAL EQUITY		(980,641)	399,681
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	20,531,142	21,227,483
CURRENT LIABILITIES			
Trade and other payables	20	2,895,604	2,658,597
Contract liabilities	4	885,019	668,001
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	721,339	731,872
		4,501,962	4,058,470
TOTAL LIABILITIES		25,033,104	25,285,953
TOTAL EQUITY AND LIABILITIES		24,052,463	25,685,634

The financial statements were approved by the Board of Directors and authorised for issue on ....17/12/24............ and were signed on its behalf by:

The notes form part of these financial statements

continued...

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued
31 March 2024

....
Mr R E Harrison - Director

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

COMPANY STATEMENT OF FINANCIAL POSITION
31 March 2024

	Notes	2024 £	2023 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	13	8,234,223	8,847,786
Right-of-use			
Property, plant and equipment	13, 22	13,248,832	13,879,069
Investments	14	2	2
Trade and other receivables	16	168,000	252,000
		21,651,057	22,978,857
CURRENT ASSETS			
Inventories	15	79,522	66,780
Trade and other receivables	16	1,278,296	1,202,554
Cash and cash equivalents	17	329,001	1,052,123
		1,686,819	2,321,457
TOTAL ASSETS		23,337,876	25,300,314
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	18	3,295,851	3,295,851
Revaluation reserve	19	121,893	780,155
Retained earnings	19	(4,327,830)	(3,582,550)
TOTAL EQUITY		(910,086)	493,456
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	20,484,956	21,160,196
CURRENT LIABILITIES			
Trade and other payables	20	2,202,749	2,291,664
Contract liabilities	4	885,019	668,001
Financial liabilities - borrowings			
Interest bearing loans and borrowings	21	675,238	686,997
		3,763,006	3,646,662
TOTAL LIABILITIES		24,247,962	24,806,858
TOTAL EQUITY AND LIABILITIES		23,337,876	25,300,314

The financial statements were approved by the Board of Directors and authorised for issue on ....17/12/24.......... and were signed on its behalf by:

The notes form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION - continued
31 March 2024

....
Mr R E Harrison - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2022	3,295,851	(1,630,836)	-	1,665,015
Changes in equity				
Total comprehensive loss	-	(2,045,489)	780,155	(1,265,334)
Balance at 31 March 2023	3,295,851	(3,676,325)	780,155	399,681
Changes in equity				
Total comprehensive loss	-	(722,060)	(658,262)	(1,380,322)
Balance at 31 March 2024	3,295,851	(4,398,385)	121,893	(980,641)

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2022	3,295,851	(1,634,684)	-	1,661,167
Changes in equity				
Total comprehensive income	-	(1,947,866)	780,155	(1,167,711)
Balance at 31 March 2023	3,295,851	(3,582,550)	780,155	493,456
Changes in equity				
Total comprehensive income	-	(745,280)	(658,262)	(1,403,542)
Balance at 31 March 2024	3,295,851	(4,327,830)	121,893	(910,086)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

	Notes	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	1,859,535	1,436,472
Interest paid		(397,645)	(448,856)
Lease interest paid		(695,958)	(878,125)
Net cash from operating activities		765,932	109,491
Cash flows from investing activities			
Purchase of tangible fixed assets		(249,472)	(535,807)
Net cash from investing activities		(249,472)	(535,807)
Cash flows from financing activities			
New loans in year		-	620,000
Loan repayments in year		(592,010)	(510,171)
Payment of lease liabilities		(114,864)	(105,576)
Net cash from financing activities		(706,874)	4,253
Decrease in cash and cash equivalents		(190,414)	(422,063)
Cash and cash equivalents at beginning of year	2	1,305,212	1,727,275
Cash and cash equivalents at end of year	2	1,114,798	1,305,212

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Loss before income tax	(722,060)	(2,045,489)
Depreciation charges	831,062	963,235
Finance costs	1,093,603	1,417,622
	1,202,605	335,368
Increase in inventories	(22,379)	(6,688)
Decrease/(increase) in trade and other receivables	225,284	(145,264)
Increase in trade and other payables	237,007	1,302,416
Increase/(decrease) in contract liabilities	217,018	(49,360)
Cash generated from operations	1,859,535	1,436,472

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2024

	31.3.24 £	1.4.23 £
Cash and cash equivalents	1,114,798	1,305,212

Period ended 31 March 2023

	31.3.23 £	1.1.22 £
Cash and cash equivalents	1,305,212	1,727,275

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2024

1. **STATUTORY INFORMATION**

Coombe Abbey Park Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

Coombe Abbey Park Group consists of Coombe Abbey Park Limited, Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited.

2. **ACCOUNTING POLICIES**

Basis of preparation
These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

Reporting period
These financial statements are prepared for the year ended 31 March 2024. The comparative results are for the period 1st January 2022 to 31 March 2023. The company changed its financial period end date in the previous year to align with the group in which it is a member.

The principal accounting policies adopted are set out below.

Going concern
The directors have prepared the financial statements on the going concern basis. The directors have considered the following factors in their assessment of going concern.

Although the business has been affected by a number of external factors across the sector, the revenue that has been generated in year has only fallen short of budgets by £0.4m, achieving £12.0m as a group. The pressure faced by the business has been in relation to the management of the cost base as a result of the increases in payroll from the National Living Wage rise adding £0.17m to wages related costs and the wider inflationary increases from key suppliers, such a food and beverage, with sector wide food costs increasing by 10-20%. Even with this added pressure the business achieved a gross profit margin of 29% compared to a budgeted 29.3% for the hotel. Although every effort was made in the year to recover the additional cost pressure through sales, with events booked in advance this is not possible as the prices would be locked at the point of booking. There has been a review of the cost base and plans were approved and implemented to save the business £0.25m over the 12 months, with further savings being explored. Food purchasing has seen a significant improvement over the year with food cost of sale showing an improvement of between 5%-6% in the last 4 months of 2023/24, and this trend has continued into 2024/25 along with a reduction in beverage cost of sales.

continued...

The nature of operating within a Grade one listed building has meant opportunities to reduce the cost base further have been limited, due to the nature and layout of the building. Further work is underway to consider how best to utilise the available foot print of the site and drive growth in top line revenue. Work is due to take place in the final quarter of 2024/25 to improve the events and public spaces with further plans being considered for other areas in 2025/26. This will be funded through a mix of capital and revenue resources and has been built into the cashflow forecast.

All the debt financing and majority of lease liabilities are owed to the Coventry City Council, the ultimate controlling party. The Council has provided a letter of support confirming that if required, the Council would provide financial support to the group, including deferral of loan interest and loan capital repayments and lease liability payments. The Directors do not foresee the business having to request such support.

The business is able to meet its current obligations on existing loans and lease commitments. These have been met in the year and payments will continue to be made in line with the agreements. The rate of interest in the loan agreements is fixed at the point that funds are drawn, so the business has certainty over future payments. The balance sheet at 31st March 2024 includes a large VAT liability which the business has accrued at the year-end due to a delay in the processing of a Group VAT application, this was through no fault of the company and the business has set funds aside as part of the cashflow projections over the next 24 months to ensure it can meet this liability. The VAT returns for 2023-24 will be submitted before the end of December 2024 and the company is seeking time to pay arrangements with HMRC to settle the liabilities.

The business has a strong cash position which is shared with the Senior Management Team on a weekly basis and formally discussed as a 13 week position at each Board monthly meeting. The cash position at the end of March 2024 was £1.1m across the group. The cashflow forecast for 24 months, demonstrates that the company has sufficient funds to meet its ongoing liabilities and continue to trade as a going concern. This includes the repayment of the VAT liability as well the current liabilities that would occur during that period.

The group still has access to a working capital facility of £1.5m with Coventry City Council which the group can drawdown in the future if required. There are no current plans to access these funds to support the business. The group also has access to a capital financing facility to support investment in capital equipment. CAPL utilised this facility in March 2023 to seek funding to support capital works required to make changes to the popular Bistro café at War Memorial Park to increase the indoor seating capacity. This investment was supported by a robust business case that was presented to the Board of Directors and the Council prior to accessing additional debt funding.
The budget for the group for 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet). The business achieved a positive EBITDA in 2023/24 and an improvement against the cost neutral EBITDA the year before period.

To support the business and provide greater levels of challenge and scrutiny, the Board of Directors have appointed a sector specialist as a Non-Executive Director to the Board for all companies, J Cockell who has supported the companies with his commercial expertise and ideas for growth alongside the overview of the current operation of the business.

The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. This decision is based on the current operation and the forecast cashflow position for the next two years. The ultimate controlling party, Coventry City Council, will provide financial support to the company if required.

continued...

2. **ACCOUNTING POLICIES - continued**

Basis of consolidation
The group's financial statements incorporate the results, cash flows, assets and liabilities of Coombe Abbey Park Limited and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

Business combinations are recognised using the acquisition method of accounting.

Subsidiaries
Subsidiaries are entities controlled by the group. The group control's an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Revenue recognition
Revenue is recognised at the fair value of the consideration received or receivable for 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 and settlement discounts.

Revenue represents the provision of hotel accommodation, the sale of food and beverages and the provision of room hire and other services. All revenue arises wholly in the United Kingdom.

Sale of goods
Revenue from the sale of goods are recognised when control of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods.

Rendering of services
Revenue from providing services, where performance obligations are satisfied over time, is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule which has usually been set to be broadly aligned with the volume of work performed. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management

Other operating income
Other operating income relates to joint ventures operations. Where the company has a long term interest and shares control under a contractual arrangement over an economic activity which uses the company's assets and resources but is not set up in a separate entity, the company recognises its assets, liabilities and expenses and a share of income earned from the jointly controlled operation.

Dividend and interest income
Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established. Each is then shown separately in the statement of profit or loss and other comprehensive income.

continued...

2. **ACCOUNTING POLICIES - continued**

Cash and cash equivalents
Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

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.

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:

Assets under construction	-	not depreciated as not yet in use
Leasehold land and buildings	-	Over 50 years
Plant and machinery	-	Between 5-20 years straight line
Fixtures and fittings	-	10 years straight line
Motor vehicles	-	25% on reducing balance

Depreciation begins when the asset is available for use and continues until the asset is derecognised, even if it is idle.

The gain or loss 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 and loss.

Leasehold land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation and impairment for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

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2. **ACCOUNTING POLICIES - continued**

Fixed asset investments
In the individual entity financial statements, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of property, plant and equipment
At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated, which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

In estimating the fair value of an asset, the entity uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the entity engages qualified third-party valuers to perform such valuations. The Board of Directors work with these valuers to establish an appropriate technical approach, understanding of the asset and to establish the inputs.

Value in use is calculated using estimated cash flows. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation/amortisation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of profit or loss and other comprehensive income as an impairment loss.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial instruments
Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss) are added to or deducted from the fair value as appropriate, on initial recognition.

Financial assets
Financial assets are subsequently classified into the following specified categories:
- financial assets at fair value through profit or loss, including held for trading;
- fair value through other comprehensive income; or
- amortised cost.

The classification depends on the nature and purpose of the financial asset (ie. the company's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

Financial assets are classified at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss.

Financial liabilities
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities at amortised cost, which are measured using the effective interest method. At present the company does not have any financial liabilities at FVTPL.

Fair values
Fair value is the amounts for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the financial statements.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the debt instrument, or a shorter period, on the net carrying amount on initial recognition.

continued...

2. **ACCOUNTING POLICIES - continued**

Inventories
Inventories are stated at the lower of cost or net realisable value. Cost is determined on a first in first out (FIFO) basis. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation.

Taxation
Income taxes include all taxes based upon the taxable profits of the company. Other taxes not based on income, such as property and capital taxes, are included within operating expenses or financial expenses according to their nature.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Leases
The company applies IFRS 16 Leases. Accordingly leases are all accounted for in the same manner:
- A right of use asset and lease liability is recognised on the statement of financial position, initially measured at the present value of future lease payments;
- Depreciation of right-of-use assets and interest on lease liabilities are recognised in the statement of comprehensive income;
- The total amount of cash paid is recognised in the statement of cash flows, split between payments of principal (within financing activities) and interest (also within financing activities).

The initial measurement of the right of use asset and lease liability takes into account the value of lease incentives such as rent free periods.

The costs of leases of low value items and those with a short term at inception are recognised as incurred.

Employee benefit costs
The company's contributions to defined contribution plans are charged to the statement of profit or loss and other comprehensive income in the period to which the contributions relate.

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

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

Provisions
Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

continued...

2. ACCOUNTING POLICIES - continued

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.

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

3. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Deferred tax asset
The company has tax losses available for offset against future trading profits of approximately £9m (2023: £8.7m) at the period end. A deferred tax asset in respect of part of these losses of £2.2m (2023 - £2.1m) has not been recognised as the timing of expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition of these in future years as the current restrictions on trading activity arising from Government policy are reviewed.

Accruals
Estimation is required in determining an appropriate amount to accrue in respect of uninvoiced expenses. The amounts accrued are based on managements best estimate of such costs after considering works performed to the year end date.

4. REVENUE

Revenue from contracts with customers

Disaggregation of revenue
The group generates revenue primarily from Hospitality services.

	2024	2023
	£	£
Rendering of services	5,227,118	6,287,229
Sale of goods	6,727,114	7,349,676
	11,954,232	13,636,905

4. **REVENUE - continued**

Disaggregation of revenue
The following table shows revenue from contracts with customers disaggregated by major products and service lines. All revenues are generated in the UK.

Major Service lines	2024	2023
	£	£
Accommodation	2,969,936	3,879,396
Food, beverages and catering	6,727,114	7,349,676
Room and marquee hire	775,058	1,034,397
Other services	1,482,124	1,373,436
	11,954,232	13,636,905

Timing of Revenue Recognition:	2024	2023
	£	£
Revenue recognised at a point in time	11,838,166	13,515,356
Revenue recognised over time	116,066	121,549
	11,954,232	13,636,905

The performance obligations from Accommodation revenues are satisfied at a point in time when the rooms are occupied by customers. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms or within 30 days.

The performance obligations from food, beverage and catering revenues are recognised at a point in time when the goods are transferred to the buyer. Invoices for food and beverage revenues are raised on the date the goods are transferred and are usually payable immediately with no payment terms. Invoices for Catering revenues are partially raised in advance of services resulting in a Contract Liability as shown below, with the remaining balance being invoiced on completion of service and payable immediately.

The performance obligations from room hire and marquee revenues are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable immediately with no payment terms.

For larger corporate events, the performance obligations are satisfied at a point in time when the services are provided. Invoices are raised on the date the services are completed and are usually payable within 30 days. For weddings the performance obligations are satisfied in advance of the event, with deposits taken at the point of booking and the balance settled before the event. With any additional costs incurred on the day being satisfied at a point in time when the services are provided.

continued...

4. REVENUE - continued

Contract balances

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Receivables included in "Trade and other receivables"	634,585	1,032,078

Contract liabilities

Current		
Contract liabilities	885,019	668,001

A trade receivable is recognised when the group has issued an invoice and has unconditional right to receive payment. The invoice is typically issued as the performance obligations are satisfied.

Contract liabilities are recognised when payment is received from customers before the respective performance obligation is satisfied.

5. OTHER OPERATING INCOME

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Other income	617,058	526,512

6. EMPLOYEES AND DIRECTORS

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Wages and salaries	4,893,481	5,429,311
Social security costs	359,656	382,805
Other pension costs	76,204	79,984
	5,329,341	5,892,100

The average number of employees during the year was as follows:

	Year Ended 31.3.24	Period 1.1.22 to 31.3.23
Management and administration	38	23
Hotel and banquets	231	302
	269	325

continued...

6. **EMPLOYEES AND DIRECTORS - continued**

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Directors' remuneration	111,542	176,850
Directors' pension contributions to money purchase schemes	5,529	8,218

7. **EXCEPTIONAL ITEMS**

Exceptional items of £48,938 (2023: £117,615) include costs for investigating and planning a proposed new redevelopment of the Coombe Abbey Hotel. It was subsequently decided that the redevelopment would not go ahead.

8. **NET FINANCE COSTS**

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Finance costs:		
Loan interest	397,645	539,497
Hire purchase	426	1,269
Leasing	695,532	876,856
	1,093,603	1,417,622

Loan interest represents amounts payable to Coventry City Council in respect of interest charged on loan balances.

9. **LOSS BEFORE INCOME TAX**

The loss before income tax is stated after charging:

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Cost of inventories recognised as expense	2,450,203	2,645,482
Leases	63,899	50,884
Depreciation - owned assets	599,645	669,117
Depreciation - assets on hire purchase contracts	231,417	294,118

continued...

10. AUDITORS' REMUNERATION

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	29,433	32,507
Taxation compliance services	4,050	1,500

11. INCOME TAX

Analysis of tax expense
No liability to UK corporation tax arose for the year ended 31 March 2024 nor for the period ended 31 March 2023.

Factors affecting the tax expense
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Loss before income tax	(722,060)	(2,045,489)
Loss multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%)	(180,515)	(388,643)
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	1,412	5,263
Depreciation in excess of capital allowances rates	123,177	58,164
Deferred tax not recognised	55,926	325,216
Tax expense	-	-

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 31 March 2023.

12. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(745,280) (2023 - £(1,947,866)).

continued...

13. PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold land and buildings £	Improvements to property £	Plant and machinery £
COST OR VALUATION			
At 1 April 2023	33,522,493	293,007	3,677,769
Additions	84,718	104,637	57,617
Revaluations	(658,262)	-	-
At 31 March 2024	32,948,949	397,644	3,735,386
DEPRECIATION			
At 1 April 2023	11,601,896	48,834	3,131,323
Charge for year	526,283	74,522	142,486
At 31 March 2024	12,128,179	123,356	3,273,809
NET BOOK VALUE			
At 31 March 2024	20,820,770	274,288	461,577
At 31 March 2023	21,920,597	244,173	546,446

	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 April 2023	2,359,877	43,618	39,896,764
Additions	2,500	-	249,472
Revaluations	-	-	(658,262)
At 31 March 2024	2,362,377	43,618	39,487,974
DEPRECIATION			
At 1 April 2023	1,997,294	34,901	16,814,248
Charge for year	85,722	2,049	831,062
At 31 March 2024	2,083,016	36,950	17,645,310
NET BOOK VALUE			
At 31 March 2024	279,361	6,668	21,842,664
At 31 March 2023	362,583	8,717	23,082,516

Coventry City Council hold a fixed and floating charge over leasehold property known as Coombe Abbey , Brinklow Road, Binley, Coventry, CV3 2AB, land registry title WK447538 and a floating charge on all undertakings of the group.

Leasehold land and buildings and Plant and Machinery include right-of-use assets as shown in note 22.

continued...

13. **PROPERTY, PLANT AND EQUIPMENT - continued**

Group

Cost or valuation at 31 March 2024 is represented by:

	Leasehold land and buildings £	Improvements to property £	Plant and machinery £
Valuation in 2023	780,155	-	-
Valuation in 2024	(658,262)	-	-
Cost	32,827,056	397,644	3,735,386
	32,948,949	397,644	3,735,386

	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2023	-	-	780,155
Valuation in 2024	-	-	(658,262)
Cost	2,362,377	43,618	39,366,081
	2,362,377	43,618	39,487,974

The leasehold land and buildings were independently valued on a fair value basis at 31st March 2024 by a member of the Royal Institute of Chartered Surveyors.

Company

	Leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 April 2023	33,418,185	3,640,268	2,359,877	43,618	39,461,948
Additions	84,718	57,017	2,500	-	144,235
Revaluations	(658,262)	-	-	-	(658,262)
At 31 March 2024	32,844,641	3,697,285	2,362,377	43,618	38,947,921
DEPRECIATION					
At 1 April 2023	11,577,825	3,125,073	1,997,294	34,901	16,735,093
Charge for year	507,026	134,976	85,722	2,049	729,773
At 31 March 2024	12,084,851	3,260,049	2,083,016	36,950	17,464,866
NET BOOK VALUE					
At 31 March 2024	20,759,790	437,236	279,361	6,668	21,483,055
At 31 March 2023	21,840,360	515,195	362,583	8,717	22,726,855

continued...

13. PROPERTY, PLANT AND EQUIPMENT - continued

Company

Coventry City Council hold a fixed and floating charge over leasehold property known as Coombe Abbey , Brinklow Road, Binley, Coventry, CV3 2AB, land registry title WK447538 and a floating charge on all undertakings of the company.

Leasehold land and buildings and Plant and Machinery include right-of-use assets as shown in note 22.

Cost or valuation at 31 March 2024 is represented by:

	Leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2023	121,893	-	-	-	121,893
Cost	32,722,748	3,697,285	2,362,377	43,618	38,826,028
	32,844,641	3,697,285	2,362,377	43,618	38,947,921

The leasehold land and buildings were independently valued on a fair value basis at 31st March 2024 by a member of the Royal Institute of Chartered Surveyors.

14. INVESTMENTS

Company

	Shares in group undertaking £
COST	
At 1 April 2023 and 31 March 2024	2
NET BOOK VALUE	
At 31 March 2024	2
At 31 March 2023	2

continued...

14. INVESTMENTS - continued

Company

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Coombe Abbey Park (LACO) Limited
Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, West Midlands, United
Nature of business: Hospitality services

Class of shares:	% holding
Ordinary	100.00

	2024	2023
	£	£
Aggregate capital and reserves	(4,367)	(51,932)
Profit/(loss) for the year/period	47,565	(52,857)

No Ordinary Hospitality Management Limited
Registered office: Coombe Abbey Hotel Brinklow Road, Binley, Coventry, West Midlands, United
Nature of business: Hospitality services

Class of shares:	% holding
Ordinary	100.00

	2024	2023
	£	£
Aggregate capital and reserves	(66,186)	(41,841)
Loss for the year/period	(24,345)	(44,766)

On 19 April 2021, the company incorporated two new subsidiaries Coombe Abbey Park (LACO) Limited and No Ordinary Hospitality Management Limited. These were to assist the company in achieving its objective of securing future developments including but not limited to outside operations within Coventry, enhancements to the existing site and potential acquisitions and/or Management Contract.

15. INVENTORIES

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Finished goods	98,356	75,977	79,522	66,780

continued...

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Current:				
Trade debtors	724,439	1,032,078	323,653	298,263
Amounts owed by group undertakings	-	-	733,154	734,200
Other debtors	182,592	77,570	158,623	75,070
Prepayments and accrued income	89,614	112,281	62,866	95,021
	996,645	1,221,929	1,278,296	1,202,554
Non-current:				
Amounts owed by group undertakings	-	-	168,000	252,000
Aggregate amounts	996,645	1,221,929	1,446,296	1,454,554

17. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Cash in hand	-	4,937	-	4,937
Bank accounts	1,114,798	1,300,275	329,001	1,047,186
	1,114,798	1,305,212	329,001	1,052,123

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024 £	2023 £
6,001	Ordinary share capital	£0.01	60	60
3,295,791	Deferred shares	£1	3,295,791	3,295,791
			3,295,851	3,295,851

Ordinary shares
Each ordinary share is entitled to one vote, receive dividends and entitles the holder to participate in a return of capital.

Deferred shares
Each deferred share is not entitled to vote, is entitled to receive an aggregate fixed cumulative annual dividend of £1 in total and entitles the holder to participate in a return of capital.

Preference share
Included in other creditors is £1 of preference shares. On winding up it shall receive no payment other than the nominal amount paid up for the share.

continued...

19. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2023	(3,676,325)	780,155	(2,896,170)
Deficit for the year	(722,060)		(722,060)
Revaluation of leasehold land and buildings	-	(658,262)	(658,262)
At 31 March 2024	(4,398,385)	121,893	(4,276,492)

Company

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2023	(3,582,550)	780,155	(2,802,395)
Deficit for the year	(745,280)		(745,280)
Revaluation of leasehold land and buildings	-	(658,262)	(658,262)
At 31 March 2024	(4,327,830)	121,893	(4,205,937)

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Current:				
Trade creditors	435,282	514,552	353,033	440,076
Social security and other taxes	2,116,084	1,492,785	1,580,758	1,236,967
Other creditors	89,817	100,877	86,798	100,877
Accruals and deferred income	254,421	550,383	182,160	513,744
	2,895,604	2,658,597	2,202,749	2,291,664

21. FINANCIAL LIABILITIES - BORROWINGS

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Current:				
Other loans	592,010	592,010	592,010	592,010
Leases (see note 22)	129,329	139,862	83,228	94,987
	721,339	731,872	675,238	686,997

continued...

21. FINANCIAL LIABILITIES - BORROWINGS - continued

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Non-current:				
Other loans - 1-2 years	7,219,921	7,811,931	7,219,921	7,811,931
Leases (see note 22)	13,311,221	13,415,552	13,265,035	13,348,265
	20,531,142	21,227,483	20,484,956	21,160,196

Terms and debt repayment schedule

Group

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Other loans	592,010	552,517	1,281,028	5,386,376	7,811,931
Leases	129,329	85,903	181,166	13,044,152	13,440,550
	721,339	638,420	1,462,194	18,430,528	21,252,481

Company

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Other loans	592,010	552,517	1,281,028	5,386,376	7,811,931
Leases	83,228	63,501	157,382	13,044,152	13,348,263
	675,238	616,018	1,438,410	18,430,528	21,160,194

Other loans represent amounts payable to Coventry City Council under loan agreements and are repayable in quarterly instalments with interest rates ranging from 5.15% to 6.75%. The loans are secured by way of a fixed charge against leasehold property and a floating charge on all undertakings of the company.

continued...

22. **LEASING**

Group
Right-of-use assets

Property, plant and equipment

	2024 £	2023 £
COST OR VALUATION		
At 1 April 2023	14,451,317	13,811,318
Additions	-	145,141
Revaluations	(418,077)	494,858
	14,033,240	14,451,317
DEPRECIATION		
At 1 April 2023	492,011	197,893
Charge for year	231,417	294,118
	723,428	492,011
NET BOOK VALUE	13,309,812	13,959,306

Company
Right-of-use assets

Property, plant and equipment

	2024 £	2023 £
COST OR VALUATION		
At 1 April 2023	14,347,009	13,811,318
Additions	-	40,833
Revaluations	(418,077)	494,858
	13,928,932	14,347,009
DEPRECIATION		
At 1 April 2023	467,940	197,893
Charge for year	212,160	270,047
	680,100	467,940
NET BOOK VALUE	13,248,832	13,879,069

continued...

22. **LEASING - continued**

Group

Group
Other leases

	Year Ended 31.3.24 £	Period 1.1.22 to 31.3.23 £
Low-value assets leases	13,127	12,102
Variable lease payments	50,772	38,782

Group
Lease liabilities

Minimum lease payments fall due as follows:

	2024 £	2023 £
Gross obligations repayable:		
Within one year	819,128	835,394
Between one and five years	2,980,768	3,058,119
In more than five years	68,469,936	69,186,716
	72,269,832	73,080,229
Finance charges repayable:		
Within one year	689,799	695,532
Between one and five years	2,713,699	2,730,420
In more than five years	55,425,784	56,098,863
	58,829,282	59,524,815
Net obligations repayable:		
Within one year	129,329	139,862
Between one and five years	267,069	327,699
In more than five years	13,044,152	13,087,853
	13,440,550	13,555,414

continued...

22. LEASING - continued

Group

The Group leases Land and Buildings and Plant and Machinery. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Leasehold Land and Buildings include a non-cancellable lease of the Coombe Abbey Hotel from Coventry City Council with a term of 125 years commencing November 2006. The monthly lease rentals are £54,792. The lease includes restrictions on the use of the asset.

Plant and Machinery include non-cancellable leases with terms ranging between one and five years. In some cases, the group has option to purchase assets at the end of the contract term.

In the financial period, the group entered into an agreement to lease land and buildings from Coventry City Council known as the War Memorial Park. The site includes two Cafes and an Ice Cream Kiosk. The minimum non-cancellable term of the lease is for the period commencing on 12th January 2022 and expiring on 31st May 2027. The minimum lease payments are £25,000 per annum. The lease includes restrictions on the use of the asset. The lease agreement includes variable lease payments based on revenues generated from the leased asset. The variable lease payments are not recognised in the lease liability.

In the financial period, the group entered into a non-exclusive license agreement with Coventry City Council to access the land and property at St Mary's Guildhall for the purpose of managing the commercial operations of the site, as defined in the agreement. There are no lease payments due under the agreement which expires on 30th June 2024 and can be extended by up to 12 months on an annual basis.

The weighted average incremental borrowing rate applied to measure lease liabilities during the period was 5.15%.

22. LEASING - continued

Company
Lease liabilities

Minimum lease payments fall due as follows:

	2024 £	2023 £
Gross obligations repayable:		
Within one year	769,128	785,394
Between one and five years	2,930,768	2,983,119
In more than five years	68,469,936	69,186,716
	72,169,832	72,955,229
Finance charges repayable:		
Within one year	685,900	690,407
Between one and five years	2,709,885	2,722,707
In more than five years	55,425,784	56,098,863
	58,821,569	59,511,977
Net obligations repayable:		
Within one year	83,228	94,987
Between one and five years	220,883	260,412
In more than five years	13,044,152	13,087,853
	13,348,263	13,443,252

continued...

23. FINANCIAL INSTRUMENTS

The group holds or issues financial instruments to finance its operations and enter contracts to manage risks arising from these operations and its sources of finance in accordance with their respective accounting policies. In addition, various financial instruments such as trade debtors, cash and trade creditors arise directly from the operation of the companies. Cash is only placed in reputable financial institutions to minimise credit risk.

Operations in Coombe Abbey Park group ('the group') are financed by a mixture of retained profits, finance leases and term loans. Working capital requirements are funded principally out of retained profits, however CAPL has a line of credit of £0.4m that can be accessed at commercial rates to invest in capital assets.

Coventry City Council also approved a refinancing package for CAPL which was executed in April 2021 and was approved by both the Board of CAPL and the Council. It consolidated the existing loans in place along with any deferred payments from 2020 because of the pandemic and limited operation of the business in year. This facility has £1.5m available for working capital if required in the future.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

The group's main credit risk arises from trade debtors, being amounts owed by customers. The group offers credit terms to customers which are typically 30 days from invoice date.

The group monitors their debtors and creditors on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance teams are in regular contact with customers and suppliers to ensure that these financial liabilities can be met. All entities in the group have resource to manage any aged debtors and escalate any concerns as necessary and the Board of Directors have oversight in relation to the debtor and creditor position as part of the monthly board packs .

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The following table shows a maturity analysis of the group's trade debtors at 31st March 2024.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade debtors	634,585	250,028	126,274	33,739	224,544
	634,585	250,028	126,274	33,739	224,544

continued...

Liquidity risk
Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group aims to maintain sufficient levels of cash and cash equivalents to meet its obligations as they fall due.

A weekly cashflow is shared with the Board of Directors for CAPL to highlight the financial impact of operational performance and to inform management of any action that maybe required. The board have visibility of a 13 week cashflow at each monthly meeting as well as the group having a cashflow forecast to the period end. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Trade and other payables
The group monitors the level of expected cash inflows on trade and other receivables together with expected outflows on trade and other payables. At 31st March 2024, the expected inflows from trade debtors within 30 days was £250,028 and the expected outflows from trade creditors within 30 days was £278,552. The group holds cash reserves of £1,114,798 at the year end which is sufficient to enable the group to meet its expected cash outflows.

The following table shows a maturity analysis of the group's trade creditors at 31st March 2024.

	£ Total	£ 1-30 days	£ 31-60 days	£ 61-90 days	£ 90+ days
Trade creditors	345,428	278,551	41,624	492	24,761
	345,428	278,551	41,624	492	24,761

Exposure to liquidity risk
The following table shows the contractual maturities of cash outflows of financial liabilities at the reporting date. The amounts are net and do not include contractual interest payments and exclude the impact of netting agreements.

	Total £	Less than 1 year £	1-2 years £	2-5 years £	More than 5 years £
Lease liabilities	13,440,550	129,329	85,903	181,167	13,044,152
Other loans	7,811,931	592,010	552,517	1,281,028	5,386,376
	21,252,481	721,339	638,420	1,462,194	18,430,528

With regards to loans and leases the group meets the obligations of the respective loans they have in place with regards to sharing management information on the performance of the businesses.

The group held cash and cash equivalents of £1,114,798 at 31st March 2024.

The group has a line of credit amounting to £1,886,540 which can be accessed at commercial rates of which £1,500,000 relates to a working capital facility.

continued...

Market risk
Market risk is the risk that changes in market prices will affect the Groups income and expenditure or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Exposure to Interest rate risk
The group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the group to interest rate risk. Borrowings obtained at fixed rates expose the group to fair value risk

The interest rate on the current loans in place is fixed at the point the loans are drawn, mitigating exposure to interest rate risk.

Interest on Other Loans is charged at 4.5% per annum above the Bank of England base rate of interest. Other Loans represent amounts payable to Coventry City Council.

24. PENSION COMMITMENTS

The group operates a defined contribution retirement benefit plan for all qualifying employees. The assets of the plans are held separately from those of the group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the group are reduced by the amount of forfeited contributions.

The total expense recognised in the statement of profit or loss and other comprehensive income of £65,454 (2023: £63,366) represents contributions payable to these plans by the group at rates specified in the rules of the plans. As at 31st March 2024 contributions of £15,268 (2023: £15,935) due in respect of the reporting period had not been paid over to the plans. The amounts were paid over subsequent to the end of the reporting period.

continued...

25. RELATED PARTY TRANSACTIONS

Remuneration of key management personnel
The remuneration of key management personnel of the group, which includes directors, is as follows.

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Aggregate compensation	383,835	368,836	383,835	368,836

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2024	2023	2024	2023
Current assets	£	£	£	£
Trade receivables	397,018	703,295	-	660
Current liabilities:				
Trade creditors	85,696	89,518	75,736	75,041
Other creditors	71,653	71,653	71,653	71,653
Accruals and deferred income	-	273,218	-	273,218

Other entities with common control

	Group		Company	
	2024	2023	2024	2023
Current assets	£	£	£	£
Amounts owed by Group undertakings	-	-	711,535	734,200
Non-current assets				
Amounts owed by Group undertakings	-	-	168,000	252,000

Financial Liabilities with related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group		Company	
	2024	2023	2024	2023
Current liabilities:	£	£	£	£
Other loans	592,010	592,010	592,010	592,010
Lease liabilities	109,170	101,998	63,069	57,123
Non-current liabilities:				
Other loans	7,219,921	7,811,931	7,219,921	7,811,931
Lease liabilities	13,297,311	13,381,480	13,251,125	13,314,194

continued...

Right-of-use assets leased from related parties
The following right-of-use assets at the reporting date are relation to lease arrangements with related parties:

Coventry City Council:

	Group		Company	
	2024	2023	2024	2023
Non-current assets	£	£	£	£
Leasehold land and property	13,517,266	13,710,715	13,038,209	13,630,478

Transactions with related parties
The following transactions occurred with related parties during the period:

Coventry City Council:

	Group		Company	
	2024	2023	2024	2023
Income	£	£	£	£
Sales	1,015,221	877,519	-	-
Expenditure				
Rates and water	277,653	467,725	277,653	467,725
Lease liability interest	692,786	871,284	687,661	863,431
Interest payable to group undertakings	397,645	539,497	397,645	539,497
Depreciation - right-of-use assets	193,470	241,837	174,213	217,766
Other	32,355	26,053	32,355	26,053

Other entities with common control

	Group		Company	
	2024	2023	2024	2023
Other Income	£	£	£	£
Interest income	-	-	18,320	22,901

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

26. ULTIMATE CONTROLLING PARTY

The immediate parent company is Coventry Municipal Holdings Limited whose registered office address is Council House, Coventry, CV1 5RR. The consolidated financial statements of Coombe Abbey Park Limited are incorporated in the consolidated financial statements of Coventry Municipal Holdings Limited which are available from this address.

The ultimate parent company and ultimate controlling party of Coombe Abbey Park Limited is Coventry City Council whose registered office address is Coventry City Council, Council House, Coventry, CV1 5RR. The consolidated financial statements of the group are available from this address.

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REGISTERED NUMBER: 04931967 (England and Wales)

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

FOR

COVENTRY TECHNICAL RESOURCES LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

COVENTRY TECHNICAL RESOURCES LIMITED

COMPANY INFORMATION
for the year ended 31 March 2024

DIRECTORS:	Mr G McKelvie Mrs P Mudhar Ms S Newing
SECRETARY:	Mr G S Sangha
REGISTERED OFFICE:	c/o Room 56 Council House Earl Street Coventry West Midlands CV1 5RR
REGISTERED NUMBER:	04931967 (England and Wales)
AUDITORS:	Luckmans Duckett Parker Limited Chartered Accountants Statutory Auditors 1110 Elliott Court Herald Avenue Coventry Business Park Coventry West Midlands CV5 6UB
SOLICITORS:	In-house Legal Team Coventry City Council The Council House Earl Street Coventry CV1 5RR

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

The directors present their report with the financial statements of the company for the year ended 31 March 2024.

PRINCIPAL ACTIVITY
The Company is a wholly owned subsidiary of Coventry City Council. The Company's main activity is to provide resource solutions to Coventry City Council under a series of contracts. Resource is either employed by Coventry Technical Resources directly or contracted from time to time as needs arise. The company employed 4 staff on average during the year, consistent with previous year. Payroll services are provided by Coventry City Council under contract.

REVIEW OF BUSINESS
The accounts have been prepared under FRS 101. The results for the year ended 31 March 2024 report a net profit before tax of £4,355 (2023: £7,358). At the balance sheet date, the company has total equity of £2,774,784 (2023: £2,770,429), and total cash and equivalent balance of £2,715,586 (2023: £2,663,963)

RESEARCH AND DEVELOPMENT
No specific research and development activities have been undertaken during the year.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2023 to the date of this report.

Mr G McKelvie
Mrs P Mudhar
Ms S Newing

PAYMENTS TO SUPPLIERS
The company's standard terms of payment are 30 days from the date payment is due, receipt of invoice or delivery of goods, whichever is the later. Alternative payment terms are only made if specifically demanded for contractual purposes.

CHARITABLE AND POLITICAL DONATIONS
There have been no charitable or political donations made in the period.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE
The Directors' and Officers' Liability Insurance policy covers damages and costs arising from any 'wrongful act' by the Directors. Wrongful act covers libel, slander, error, misstatement, misleading statement, misrepresentation, omission, neglect, breach of warranty of authority or other act attempted or committed by any or all of the Directors when acting or serving in that capacity. The limit of indemnity is £5m.

EQUAL OPPORTUNITIES
The Company has complied with the equal opportunities policies of the Council, as the ultimate owner of the Company, that in summary are:
- Everybody should have an equal opportunity to contribute to and benefit from society.
- A diverse community is a positive asset to the City.

PARENT COMPANY
Coventry Municipal Holdings Ltd became the parent company on 5th November 2021. There was no change in ownership of the company throughout the year or since the balance sheet date.

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Signed by:
Grant McKelvie
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Mr G McKelvie - Director

Date: 18 December 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COVENTRY TECHNICAL RESOURCES LIMITED

Opinion

We have audited the financial statements of Coventry Technical Resources Limited (the 'company') for the year ended 31 March 2024 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COVENTRY TECHNICAL RESOURCES LIMITED

Matters on which we are required to report by exception
In the 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 Report of the Directors.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors
As explained more fully in the Directors' Responsibilities Statement set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to designing audit procedures by tailoring and directing testing to aid and support the determined level of risk.In response, the procedures we perform to determine the level of risk include:

- reference to history and experience of the Entity; and
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Entity's procedures relating to:
    - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance; and
    - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud; and
    - assessment of the controls and processes that the Entity has in place to mitigate risk.

Our assessments included the identification of the following potential areas for fraud:

- management override of control; and
- revenue recognition, particularly in respect of rendering of services

These procedures, and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- critically assessed the appropriateness and testing the application of the revenue and cost recognition policies; and
- testing the appropriateness of accounting estimates, journals and other adjustments made in the preparation of the financial statements; and
- reviewing the Entity's accounting policies for non-compliance with relevant standards; and
- making enquiries of management and reviewing correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations.

In performing an audit in accordance with UK GAAP, we exercise professional judgement and maintain professional scepticism throughout the audit process.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COVENTRY TECHNICAL RESOURCES LIMITED

Use of our report

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 a Report of the Auditors 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.

Mr Ashwani Rishiraj FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

Date: 18th December 2024

Docusign Envelope ID: C9ACE87B-9698-4DCA-8E9E-C176E2DE9EB3

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2024

	Notes	2024 £	2023 £
TURNOVER		361,802	380,865
Administrative expenses		362,841	373,507
OPERATING (LOSS)/PROFIT		(1,039)	7;358
Interest receivable and similar income		5,394	-
PROFIT BEFORE TAXATION	4	4,355	7,358
Tax on profit	5	-	-
PROFIT FOR THE FINANCIAL YEAR		4,355	7,358
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,355	7,358

The notes form part of these financial statements

COVENTRY TECHNICAL RESOURCES LIMITED (REGISTERED NUMBER: 04931967)

BALANCE SHEET
31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
CURRENT ASSETS					
Debtors	6		87,042		131,160
Cash at bank			2,715,586		2,663,963
			2,802,628		2,795,123
CREDITORS					
Amounts falling due within one year	7		27,844		24,694
NET CURRENT ASSETS			2,774,784		2,770,429
TOTAL ASSETS LESS CURRENT LIABILITIES			2,774,784		2,770,429
CAPITAL AND RESERVES					
Called up share capital	8		1,758,062		1,758,062
Share premium			31,430,999		31,430,999
Retained earnings	9		(30,414,277)		(30,418,632)
SHAREHOLDERS' FUNDS			2,774,784		2,770,429

The financial statements have been prepared 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 18 December 2024 and were signed on its behalf by:

DocuSigned by:
PKMudhar
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Mrs P Mudhar - Director

The notes form part of these financial statements

COVENTRY TECHNICAL RESOURCES LIMITED (REGISTERED NUMBER: 04931967)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2022	1,758,062	(30,425,990)	31,430,999	2,763,071
Changes in equity				
Total comprehensive income	-	7,358	-	7,358
Balance at 31 March 2023	1,758,062	(30,418,632)	31,430,999	2,770,429
Changes in equity				
Total comprehensive income	-	4,355	-	4,355
Balance at 31 March 2024	1,758,062	(30,414,277)	31,430,999	2,774,784

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

1. STATUTORY INFORMATION

Coventry Technical Resources Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 88C and 88D of IAS 12 Income Taxes;
- the requirements of paragraph 74(b) of IAS 16;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

continued...

2. ACCOUNTING POLICIES - continued

Turnover
Revenue is recognised at the fair value of the consideration received or receivable net of VAT and trade discounts. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The policies adopted for the recognition of revenue are as follows:

Rendering of services
Revenue from providing services, where performance obligations are satisfied over time, is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule which has usually been set to be broadly aligned with the volume of work performed. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Financial instruments
Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets
The company's financial assets relate to trade and other receivable and cash and cash equivalents. Trade and other receivables are classified as loans and receivables and are measured initially at fair value plus transaction costs and are carried subsequently at amortised cost under the effective interest method, less provision for any impairment. Any change in their value through impairment or reversal of impairment is recognised in the statement of comprehensive income. There are no financial assets classified as fair value through the statement of comprehensive income or as held to maturity or available for sale.

Financial liabilities
Financial liabilities, which include bank loans, overdrafts and trade and other payables are initially measured at fair value net of transaction costs under the effective interest method and thereafter at amortised cost. Finance charges are accounted for on an accruals basis in the statement of comprehensive income using the effective interest method.

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Employee benefit costs
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2024	2023
	£	£
Wages and salaries	278,767	283,381
Social security costs	33,421	37,645
Other pension costs	8,165	9,149
	320,353	330,175

continued...

3. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	2024	2023
Business development	4	5

	2024 £	2023 £
Directors' remuneration	-	-

4. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	2024 £	2023 £
Audit Fees	3,609	3,835

5. TAXATION

Analysis of tax expense
No liability to UK corporation tax arose for the year ended 31 March 2024 nor for the year ended 31 March 2023.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade receivables	66,161	131,160
Prepayments and accrued income	20,881	-
	87,042	131,160

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Social security and other taxes	2,990	12,807
Other creditors	21,002	1,492
Accruals and deferred income	3,852	10,395
	27,844	24,694

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024 £	2023 £
1,758,062	Ordinary shares	£1	1,758,062	1,758,062

continued...

8. CALLED UP SHARE CAPITAL - continued

Each Ordinary share confers upon the holder of that share one vote on a show of hands and one vote per share on poll. Each share shall have full rights to receive dividends and capital distributions (including on wind up). They do not confer any rights of redemption.

9. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 April 2023	(30,418,632)	31,430,999	1,012,367
Profit for the year	4,355	-	4,355
At 31 March 2024	(30,414,277)	31,430,999	1,016,722

10. POST BALANCE SHEET EVENTS

There are no significant events after the Balance sheet date.

11. PARENT COMPANY

The smallest group undertaking in which the results are consolidated is that headed by Coventry Municipal Holdings Limited. These consolidated financial statements are available to the public and may be obtained from Council House, Earl Street, Coventry, United Kingdom, CV1 5RR.

The ultimate parent entity is Coventry City Council.

REGISTERED NUMBER: 04523598 (England and Wales)

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
COVENTRY REGENERATION LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

COVENTRY REGENERATION LIMITED

COMPANY INFORMATION
for the year ended 31 March 2024

DIRECTORS:	Mr P Helm Mr A Walster Mrs P Mudhar
SECRETARY:	Mr G S Sangha
REGISTERED OFFICE:	c/o Room 56 Council House Earl Street Coventry West Midlands CV1 5RR
REGISTERED NUMBER:	04523598 (England and Wales)
AUDITORS:	Luckmans Duckett Parker Limited Chartered Accountants Statutory Auditors 1110 Elliott Court Herald Avenue Coventry Business Park Coventry West Midlands CV5 6UB
SOLICITORS:	In-house Legal Team Coventry City Council The Council House Earl Street Coventry CV1 5RR

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

The directors present their report with the financial statements of the company for the year ended 31 March 2024.

PRINCIPAL ACTIVITY
The company's principal activity was to build the Ricoh Arena which was completed in 2005. The company generates income through interest received on a cash balance. The company may be used for undertaking development in the future.

REVIEW OF BUSINESS
Coventry City Council provided time limited cashflow assistance to the company totalling £1m at a commercial rate. The company has made repayments, but has retained a balance of £5,000 until it falls due for repayment. The loan facility was transferred from the current lender, Coventry City Council, to Coventry Municipal Holdings Ltd, parent undertaking, after the year end and the final repayment date of the loan has been extended to 29th November 2029.

The accounts have been prepared under FRS 101. The results for the year show a profit of £57 (2023: £93).

RESEARCH AND DEVELOPMENT
No specific research and development activities have been undertaken during the year.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2023 to the date of this report.

Mr P Helm
Mr A Walster
Mrs P Mudhar

PAYMENTS TO SUPPLIERS
The company's standard terms of payment are 30 days from the date payment is due, receipt of invoice or delivery of goods, whichever is the later. Alternative payment terms are only made if specifically demanded for contractual purposes.

CHARITABLE AND POLITICAL DONATIONS
There have been no charitable or political donations made in the year.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE
The Directors' and Officers' Liability Insurance policy covers damages and costs arising from any 'wrongful act' by the Directors. Wrongful act covers libel, slander, error, misstatement, misleading statement, misrepresentation, omission, neglect, breach of warranty of authority or other act attempted or committed by any or all of the Directors when acting or serving in that capacity. The limit of indemnity is £5 million.

EQUAL OPPORTUNITIES
The company has complied with the equal opportunities policies of the Council, as the ultimate owner of the Company, that in summary are:

- Everybody should have an equal opportunity to contribute to and benefit from society
- A diverse community is a positive asset to the City

PARENT COMPANY
Coventry Municipal Holdings Ltd became the parent company on 5th November 2021. There was no change in ownership of the company throughout the year or since the balance sheet date.

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD:

DocuSigned by:
PKMudhar
3FA11338042442E...
Mrs P Mudhar - Director

Date: 19 December 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COVENTRY REGENERATION LIMITED

Opinion
We have audited the financial statements of Coventry Regeneration Limited (the 'company') for the year ended 31 March 2024 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its profit 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COVENTRY REGENERATION LIMITED

Matters on which we are required to report by exception
In the 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 Report of the Directors.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COVENTRY REGENERATION LIMITED

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our approach to designing audit procedures by tailoring and directing testing to aid and support the determined level of risk.In response, the procedures we perform to determine the level of risk include:
- reference to history and experience of the Entity; and
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Entity's procedures relating to:
  - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance; and
  - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud; and
  - assessment of the controls and processes that the Entity has in place to mitigate risk.

Our assessments included the identification of the following potential areas for fraud:
- management override of control; and
- revenue recognition, particularly in respect of rendering of services

These procedures, and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:
- critically assessed the appropriateness and testing the application of the revenue and cost recognition policies; and
- testing the appropriateness of accounting estimates, journals and other adjustments made in the preparation of the financial statements; and
- reviewing the Entity's accounting policies for non-compliance with relevant standards; and
- making enquiries of management and reviewing correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations.

In performing an audit in accordance with UK GAAP, we exercise professional judgement and maintain professional scepticism throughout the audit process.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COVENTRY REGENERATION LIMITED

Use of our report

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.

Mr Ashwani Rishiraj FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

Date: 19th December 2024

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2024

	Notes	2024 £	2023 £
TURNOVER		-	-
Administrative expenses		12,585	8,083
		(12,585)	(8,083)
Other operating income		12,889	8,348
OPERATING PROFIT		304	265
Interest receivable and similar income		68	22
		372	287
Interest payable and similar expenses	4	315	194
PROFIT BEFORE TAXATION	5	57	93
Tax on profit	6	-	-
PROFIT FOR THE FINANCIAL YEAR		57	93
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		57	93

The notes form part of these financial statements

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

BALANCE SHEET
31 March 2024

	Notes	2024 £	2023 £
CURRENT ASSETS			
Debtors	7	17,064	10,726
Cash at bank		5,239	5,070
		22,303	15,796
CREDITORS			
Amounts falling due within one year	8	17,105	10,655
NET CURRENT ASSETS		5,198	5,141
TOTAL ASSETS LESS CURRENT LIABILITIES		5,198	5,141
CREDITORS			
Amounts falling due after more than one year	9	5,000	5,000
NET ASSETS		198	141
CAPITAL AND RESERVES			
Called up share capital	11	5	5
Share premium		31,430,995	31,430,995
Retained earnings	12	(31,430,802)	(31,430,859)
SHAREHOLDERS' FUNDS		198	141

The financial statements have been prepared 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 19 December 2024 and were signed on its behalf by:

DocuSigned by:
PHelm
5469B7F9892B4FF...
Mr P Helm - Director

The notes form part of these financial statements

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2022	5	(31,430,952)	31,430,995	48
Changes in equity				
Total comprehensive income	-	93	-	93
Balance at 31 March 2023	5	(31,430,859)	31,430,995	141
Changes in equity				
Total comprehensive income	-	57	-	57
Balance at 31 March 2024	5	(31,430,802)	31,430,995	198

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

1. STATUTORY INFORMATION

Coventry Regeneration Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of accounting
These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Revenue recognition
Revenue is recognised at the fair value of the consideration received or receivable net of VAT and trade discounts. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The policies adopted for the recognition of revenue are as follows:

Rendering of services
Revenue from providing services, where performance obligations are satisfied over time, is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule which has usually been set to be broadly aligned with the volume of work performed. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised

continued...

2. ACCOUNTING POLICIES - continued

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
  the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 88C and 88D of IAS 12 Income Taxes;
- the requirements of paragraph 74(b) of IAS 16;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Financial instruments
Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets
The company's financial assets relate to trade and other receivable and cash and cash equivalents. Trade and other receivables are classified as loans and receivables and are measured initially at fair value plus transaction costs and are carried subsequently at amortised cost under the effective interest method, less provision for any impairment. Any change in their value through impairment or reversal of impairment is recognised in the statement of comprehensive income. There are no financial assets classified as fair value through the statement of comprehensive income or as held to maturity or available for sale.

Financial liabilities
Financial liabilities, which include bank loans, overdrafts and trade and other payables are initially measured at fair value net of transaction costs under the effective interest method and thereafter at amortised cost. Finance charges are accounted for on an accruals basis in the statement of comprehensive income using the effective interest method.

continued...

2. ACCOUNTING POLICIES - continued

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 March 2024 nor for the year ended 31 March 2023.

The average number of employees during the year was NIL (2023 - NIL).

	2024	2023
	£	£
Directors' remuneration	-	-

4. INTEREST PAYABLE AND SIMILAR EXPENSES

	2024	2023
	£	£
Loan interest	315	194

5. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	2024	2023
	£	£
Auditors' remuneration	3,718	5,202

6. TAXATION

Analysis of tax expense
No liability to UK corporation tax arose for the year ended 31 March 2024 nor for the year ended 31 March 2023.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade receivables	12,733	10,726
Prepayments and accrued income	4,331	-
	17,064	10,726

continued...

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	8,285	-
Amounts owed to group undertakings	4,175	4,006
Accruals and deferred income	4,645	6,649
	17,105	10,655

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Other loans (see note 10)	5,000	5,000

10. FINANCIAL LIABILITIES - BORROWINGS

	2024	2023
	£	£
Non-current:		
Loan	5,000	5,000

Terms and debt repayment schedule

	1-2 years
	£
Loan	5,000

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024	2023
			£	£
5	Ordinary	£1	5	5

Each Ordinary share shall confer upon the holder of that share one vote on a show of hands and one vote per share on a poll. Each share shall have full rights to receive dividends and capital distributions (including on a winding up). They do not confer any rights of redemption.

12. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 April 2023	(31,430,859)	31,430,995	136
Profit for the year	57	-	57
At 31 March 2024	(31,430,802)	31,430,995	193

continued...

13. POST BALANCE SHEET EVENTS

There are no significant events after the Balance sheet date.

14. PARENT COMPANY

The smallest group undertaking in which the results are consolidated is that headed by Coventry Municipal Holdings Limited. These consolidated financial statements are available to the public and may be obtained from Council House, Earl Street, Coventry, United Kingdom, CV1 5RR.

The ultimate parent entity is Coventry City Council.

15. DEFERRED TAXATION

From 17 March 2020 the substantively enacted UK corporation tax rate was 19% as announced by the Government in the Spring Budget 2020. However, the UK corporation tax rate increased to 25% with effect from 1 April 2023 per Finance Bill 2021. This increased tax rate was substantively enacted on 24 May 2021. As a result, deferred tax has been calculated at a rate of 25%.

The company has taxable losses available for offset against future taxable trading profits of approximately £6.5m at 31 March 2024. A deferred tax asset in respect of these losses of £1.6m has not been recognised as the expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition in future trading years.

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REGISTERED NUMBER: 01201361 (England and Wales)

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

FOR

TOM WHITE WASTE LIMITED

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2024

TOM WHITE WASTE LIMITED

COMPANY INFORMATION
for the year ended 31 March 2024

DIRECTORS:	Mr P Helm Mr G W McKelvie Mr A J Walster Mr A P Williams
SECRETARY:	Mr G S Sangha
REGISTERED OFFICE:	Unit 13a Stonebrook Way Longford Coventry West Midlands CV6 6LN
REGISTERED NUMBER:	01201361 (England and Wales)
AUDITORS:	Luckmans Duckett Parker Limited Chartered Accountants Statutory Auditors 1110 Elliott Court Herald Avenue Coventry Business Park Coventry West Midlands CV5 6UB

GROUP STRATEGIC REPORT
for the year ended 31 March 2024

The directors present their strategic report of the company and the group for the year ended 31 March 2024.

REVIEW OF BUSINESS
Strategy
As a waste management company, Tom White's strategy lies within its vision and values - to offer unparalleled waste solutions that empowers our local customers, ensuring they take accountability for their waste, whilst reaching for their sustainability goals. Minimising our impact on the planet, maximising our impact on the future. People, Planet and Purpose.

People first - we provide a diverse and nurturing work culture and invest in our people's growth and development. We listen to our customers and continue to develop our strategy to better support all waste management requirements and help the local people achieve community and environmental goals.

Protect our Planet - we continue to reduce our carbon emissions, achieve zero waste to landfill, and never export waste outside of the UK, all whilst providing quality waste management solutions. We do this, not because we have to but because it's the right thing to do.

Profit for Purpose - we operate a profit for purpose business model, where 100% of our profit is used to benefit the communities we serve, to support education, health services and community projects. As we grow and expand, so does the impact of our purpose.

Fair Review of the Business
The group which comprises of Tom White Waste Limited and its wholly owned subsidiaries, Tom White Waste (LACO) Limited and A&M Metals & Waste Limited, is owned by the immediate parent company Coventry Municipal Holdings Limited. The ultimate parent organisation is Coventry City Council.

The principal activity of the group remained the same throughout the year providing waste management and recycling services to local communities within the Coventry and Warwickshire area.

The group accounts have been prepared under the UK adopted International Financial Reporting Standards (IFRSs). The results for the year ended 31 March 2024 shows group revenues decreased by 2.3% from £21,567,957 in 2023 to £21,068,301 in 2024. Gross profit decreased by 1.7% from £6,031,337 in 2023 to £5,928,858 in 2024. The group made a loss after tax for the year of £1,788,025 compared to £313,851 loss after tax in the previous year. At 31 March 2024 total equity stood at £1,256,157 (2023: £3,044,182) with total cash and cash equivalents of £209,613 (2023: £472,826).

A summary of the Group's key performance indicators are as follows:

	Year ended 31.3.24	Year ended 31.3.23
Group Revenue	£21.07m	£21.57m
Gross Margin	28.1%	28.0%
Operating Margin	-5.5%	1.2%

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware of the various risks and uncertainties affecting the business some of which are inherent to the industry in which the group operates and are likely to affect the financial performance and financial position of the group. The main principal risks and uncertainties that the group is exposed to are listed below along with the approach to mitigate those risks.

Political Risk

The group is politically exposed by virtue of the fact that the ultimate parent organisation is Coventry City Council. In addition, the group operates in a highly regulated industry and any changes to Government policies requires the Directors to implement laws and regulations set by the Government, which could have an adverse impact on the Group's operations and financial performance. The Directors continually monitor such risk to ensure regulatory compliance is continually achieved and where necessary, assistance from Local Authority, Government Agencies and other external advisors is obtained on a timely basis. An example of this is the impact of the Simpler Recycling legislation which will affect all businesses and their waste disposal requirements. The impact of this change in legislation on the services offered by Tom Whites is being considered by the Senior Management Team to ensure that the company can meet the needs of its customers in compliance with this legislation.

Economic Environment Risk

The Group operates in local communities within the Coventry and Warwickshire area. Changes in local economic conditions may have an adverse impact on the Group's operational and financial performance. The Group is exposed to social economic risks where a weakening in the economy could result in reduced provision of waste management and recycling service, subsequently impacting pricing and customer base. To mitigate this risk the Group provides services to customers in both the public and private sector. Services provided extend beyond the Coventry and Warwickshire borders through sub-contract arrangements which allows greater diversification of the customer base and services.

Credit Risk

The nature of waste management presents the business with both regular high value customers but also smaller one off users wherein both customer type present varying degrees of credit risk. Any customers trading below £1,000 per month are encouraged to pay by direct debit thereby ensuring debts are collected within a 30 day window. The 30 day credit term is the norm for the group and any customers on an open account will have had a credit check undertaken before credit terms are given. Effective credit control and a stop list ensure that the group minimizes its exposure.

Liquidity Risk

The group undertakes long range forecasting to ensure its vision and strategic direction of travel deliver benefit to its shareholder. In addition the group undertakes a short range cash forecast of 13 and 26 weeks to ensure liquidity issues, if present, are identified as early as possible thereby presenting the Directors with the ability to adopt a differing course to ensure liquidity levels are maintained. This has been a key area of focus from the management team and directors during the year under review and 2024/25 to ensure the company has sufficient funds to meets its liabilities.

Market Risk

The waste management industry faces price volatility in a number of areas. Legislation changes directly affect the price of disposal as well as changes in classification. In addition the fluctuating price of energy has to be mitigated along with other cost pressures during periods of higher inflation. Fixing contracts for extended periods ensures where possible to provide a stable price and as such can pass this stability on to our customers. The Production Manager has a key role in managing this risk in relation to disposal cost volatility and seeking the best value from off takers. This is a key area of focus for the Management Team and Board of Directors.

Financial Risk

Higher rates of interest impact the group as the assets required to undertake waste collection have provided by asset backed lending. Again these interest rates are taken on a fixed rate where suitable or alternatively if rates are high, the group adopts a variable rate solution with a view to re-finance at a fixed rate if rates the move in the group's favour.

Currency Risk
The group does not export waste and processes and recovers waste solely within the UK and as such is not susceptible to foreign currency risk.

FUTURE DEVELOPMENTS
The main focus on the Management Team and Board of Directors is to maximise the value that is created through the operation of the business. This includes taking decisions in relation to the utilisation of the site and markets segments to grow into. This is all being considered as part of the Business Plan for 2025-26 plus 2 years that is currently under development and due to be approved by the Shareholder in March 2025.

ON BEHALF OF THE BOARD:

....
Mr A J Walster - Director

Date: ....

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2024.

PRINCIPAL ACTIVITY
Tom White Waste Limited and its wholly owned subsidiaries (the 'Group') is owned by the immediate parent company Coventry Municipal Holdings Limited and the ultimate parent organisation Coventry City Council. The Group includes the following subsidiaries:

- Tom White Waste (LACO) Limited; and
- A&M Metals & Waste Limited

The principal activity of the Group in the year under review continued to be that of provision of waste management and recycling services.

DIVIDENDS
No dividends will be distributed for the year ended 31 March 2024.

RESEARCH AND DEVELOPMENT
No specific research and development activities have been undertaken during the year.

EVENTS SINCE THE END OF THE YEAR
Following the year ended 31st March 2024, Tom White Waste Limited has been seeking to refinance the mortgage on the main operational site. The company has continued to meet all its liabilities in relation to loans and hire purchase contracts (HP) but the value of debt to EBITDA has been higher than the company would expect, as a result of the levels of investment through HP plant and vehicles over the last few years. The lower EBITDA has been due to a number of factors including the end of some revenue contracts which were replaced with other contracts at lower margins, higher disposal costs, impact of market forces on sales and the inflationary impact on the cost base. To address this, the Board of Directors have undertaken a balance sheet restructure through the sale and leaseback of the main operational site with their ultimate shareholder, Coventry City Council. This transaction was completed in January 2025 and as such allows the company to settle some of the loans and HP contracts in place.

In December 2024, the Tom Whites and Coventry Technical Resources executed an intercompany loan, which has now been fully repaid along with any interest as part of the balance sheet restructure.

Information relating to other events since the end of the year is given in the notes to the financial statements.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2023 to the date of this report.

Mr P Helm
Mr G W McKelvie
Mr A J Walster
Mr A P Williams

Other changes in directors holding office are as follows:

Mr J A Tranter ceased to be a director after 31 March 2024 but prior to the date of this report.

FINANCIAL INSTRUMENTS

The Group holds or issues financial instruments to finance its operations and enter contracts with customers and suppliers to manage risks arising from its operations and its sources of finance in accordance with the Group's accounting policies. The Group's financial instruments comprise trade and other receivables, amounts due from group undertakings, trade and other creditors and amounts due to group undertakings all of which arise directly from the operations of the Group. Cash is held with reputable financial institutions to minimise credit risk.

Information on the financial exposure and risk management is disclosed within the Strategic Report.

POLITICAL DONATIONS AND EXPENDITURE

During the year under review and the previous period the Group did not make any donations for political purposes.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Directors' and Officers' Liability Insurance policy covers damages and costs arising from any 'wrongful act' by the Directors. Wrongful act covers libel, slander, error, misstatement, misleading statement, misrepresentation, omission, neglect, breach of warranty of authority or other act attempted or committed by any or all of the Directors when acting or serving in that capacity. The limit of indemnity is £5m.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis. The directors have considered the following factors in their assessment of going concern.

During the year, the business has maintained the revenue achieved at £21.07m compared to £21.57m in the year before, within a tougher market, where all businesses are experiencing a pressure on their cost base due to inflationary increases. The gross profit margin in the current year is 28.1% compared to 28% in the previous year, a strong position for the business. The percentage of disposal costs to revenue is a key metric and one that is being closely monitored by the Board due to the impact this has on the gross profit margin.

The business is able to meet its current obligations on existing loans and lease commitments. These have been met in the period and payments will continue to be made in line with the agreements. The cash position at the year end of £0.209m is lower than at the end of March 2023, but still positive. The Board of Directors have visibility of the cash flow forecast every month and the management team have more frequent oversight and management of the cash position. The execution of the intercompany loan and balance sheet restructure in 2024/25 have strengthened the cash position and place the company in a strong financial position moving forward.

The budget for the group for 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet). The business achieved a positive EBITDA in 2023/24.

The Group has prepared a detailed three year financial forecast. Following the sale and leaseback transaction after the year end date, as disclosed in Note 25 to these financial statements, the group has sufficient cash reserves to continue trading for the foreseeable future. This is demonstrated in the three year financial forecast which shows a strong underlying business with opportunity for growth back to previously enjoyed EBITDA and profit levels based on the revenue assumptions and associated costs for delivery. The financial forecast to support the balance sheet restructure was subject to an independent business review, that supported the actions and growth assumptions for future years by the management team and approved by the Board of Directors, demonstrates a viable underlying business with a strong business plan. This plan is currently being updated and will be presented to the Shareholder Committee in March 2025 as part of the Business Planning and budget review process.

The balance sheet structure and the business plan supports the Directors view that the company is a going concern. The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. This decision is based on the current operation and the forecast cashflow position.

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

ENGAGEMENT WITH EMPLOYEES
With the waste management industry in a state of constant change we continue to invest in our people and systems with a constant focus on safety and compliance. The group engages regularly with its employees via tool box talks, regular drivers' meetings, feedback forums as well as promoting an open door policy to all. The group's workforce is constantly trained, particularly in Health and Safety matters, where the company's policies are clearly stated and are carefully displayed to ensure all employees are constantly aware of the inherent risks in the workplace.

DISCLOSURE IN THE STRATEGIC REPORT
In accordance with section 414C(11) of the Companies Act 2006, the Directors have set out certain information in the Group's Strategic Report which would otherwise be required by Schedule 7 to be contained in the Report of the Directors. It has done so in respect of principal risks and uncertainties and future developments.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 UK-adopted international accounting standards. 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Luckmans Duckett Parker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

....
Mr A J Walster - Director

Date: ....

Opinion

We have audited the financial statements of Tom White Waste Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Profit or Loss, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion:
- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the UK;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page seven, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to designing audit procedures by tailoring and directing testing to aid and support the determined level of risk. In response, the procedures we perform to determine the level of risk include:

- Reference to past history and experience of the Entity and Group
- enquiry of management, including obtaining and reviewing supporting documentation concerning the Entity and Group procedures relating to:

  - identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detection and response to risk of fraud and whether they were aware of any actual or suspected instances of fraud.
  - assessment of the controls and processes that the Entity and Group has in place to mitigate risk.

Our assessments included the identification of the following potential areas for fraud:

- Management override of control;
- Revenue recognition, particularly in respect of rendering of services

We design audit procedures by tailored and directed testing to aid and support the determined level of risk. In response to the assessed risk we plan audit tests and procedures that target specific areas where misstatement may occur. These procedures and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We critically assessed the appropriateness and tested the application of the revenue and cost recognition policies
- We assessed the appropriateness of accounting journals and other adjustments made in the preparation of the financial statements
- We reviewed the Entity and Group accounting policies for non-compliance with relevant standards.
- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations

In performing an audit in accordance with International Financial Reporting Standards (IFRSs) as adopted by the UK, we exercise professional judgement and maintain professional scepticism throughout the audit process.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion or override of internal controls. There are inherent limitations in the audit procedures performed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

Mr Ashwani Rishiraj FCA (Senior Statutory Auditor)
for and on behalf of Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

Date: ....

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the year ended 31 March 2024

	Notes	2024 £	2023 £
CONTINUING OPERATIONS			
Revenue	3	21,068,301	21,567,957
Cost of sales		(15,139,443)	(15,536,620)
GROSS PROFIT		5,928,858	6,031,337
Other operating income	4	189,054	73,120
Administrative expenses		(7,280,158)	(5,837,676)
OPERATING (LOSS)/PROFIT		(1,162,246)	266,781
Finance costs	7	(751,038)	(367,056)
Finance income	7	21,363	654
LOSS BEFORE INCOME TAX	8	(1,891,921)	(99,621)
Income tax	10	103,896	(214,230)
LOSS FOR THE YEAR		(1,788,025)	(313,851)
Loss attributable to:			
Owners of the parent		(1,788,025)	(313,851)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2024

	2024 £	2023 £
LOSS FOR THE YEAR	(1,788,025)	(313,851)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(1,788,025)	(313,851)
Total comprehensive income attributable to:		
Owners of the parent	(1,788,025)	(313,851)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 March 2024

	Notes	2024 £	2023 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	12	8,288,723	8,125,177
Right-of-use			
Property, plant and equipment	12, 20	7,142,256	6,488,701
Investments	13	-	-
		15,430,979	14,613,878
CURRENT ASSETS			
Trade and other receivables	14	3,208,971	3,350,431
Tax receivable		11,506	509,276
Cash and cash equivalents	15	209,613	472,826
		3,430,090	4,332,533
TOTAL ASSETS		18,861,069	18,946,411
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	16	100	100
Retained earnings	17	1,256,057	3,044,082
TOTAL EQUITY		1,256,157	3,044,182
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	19	9,409,787	8,058,512
Deferred tax	22	1,156,454	1,248,711
		10,566,241	9,307,223
CURRENT LIABILITIES			
Trade and other payables	18	5,289,279	4,895,048
Contract liabilities	3	-	282,133
Financial liabilities - borrowings			
Interest bearing loans and borrowings	19	1,749,392	1,417,825
		7,038,671	6,595,006
TOTAL LIABILITIES		17,604,912	15,902,229
TOTAL EQUITY AND LIABILITIES		18,861,069	18,946,411

The financial statements were approved by the Board of Directors and authorised for issue on .... and were signed on its behalf by:

The notes form part of these financial statements

continued...

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued
31 March 2024

....
Mr A J Walster - Director

....
Mr G W McKelvie - Director

The notes form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION
31 March 2024

	Notes	2024 £	2023 £
ASSETS			
NON-CURRENT ASSETS			
Owned			
Property, plant and equipment	12	8,288,723	8,125,177
Right-of-use			
Property, plant and equipment	12, 20	7,142,256	6,488,701
Investments	13	101	101
		15,431,080	14,613,979
CURRENT ASSETS			
Trade and other receivables	14	4,741,097	4,843,006
Tax receivable		-	509,276
Cash and cash equivalents	15	209,550	472,338
		4,950,647	5,824,620
TOTAL ASSETS		20,381,727	20,438,599
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	16	100	100
Retained earnings	17	1,225,474	3,024,787
TOTAL EQUITY		1,225,574	3,024,887
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	19	9,409,787	8,058,512
Deferred tax	22	1,156,454	1,248,711
		10,566,241	9,307,223
CURRENT LIABILITIES			
Trade and other payables	18	6,840,520	6,406,531
Contract liabilities	3	-	282,133
Financial liabilities - borrowings			
Interest bearing loans and borrowings	19	1,749,392	1,417,825
		8,589,912	8,106,489
TOTAL LIABILITIES		19,156,153	17,413,712
TOTAL EQUITY AND LIABILITIES		20,381,727	20,438,599

The financial statements were approved by the Board of Directors and authorised for issue on .... and were signed on its behalf by:

The notes form part of these financial statements

continued...

COMPANY STATEMENT OF FINANCIAL POSITION - continued
31 March 2024

....
Mr A J Walster - Director

....
Mr G W McKelvie - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2022	100	3,357,933	3,358,033
Changes in equity			
Total comprehensive income	-	(313,851)	(313,851)
Balance at 31 March 2023	100	3,044,082	3,044,182
Changes in equity			
Total comprehensive income	-	(1,788,025)	(1,788,025)
Balance at 31 March 2024	100	1,256,057	1,256,157

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2022	100	3,277,380	3,277,480
Changes in equity			
Total comprehensive income	-	(252,593)	(252,593)
Balance at 31 March 2023	100	3,024,787	3,024,887
Changes in equity			
Total comprehensive income	-	(1,799,313)	(1,799,313)
Balance at 31 March 2024	100	1,225,474	1,225,574

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	1,368,849	1,352,993
Interest paid		(398,348)	(166,067)
Lease interest paid		(352,690)	(200,989)
Tax paid		-	(149,342)
Tax refund		509,276	-
Net cash from operating activities		1,127,087	836,595
Cash flows from investing activities			
Purchase of tangible fixed assets		(560,214)	(352,314)
Sale of tangible fixed assets		84,438	371,500
Interest received		21,363	654
Net cash from investing activities		(454,413)	19,840
Cash flows from financing activities			
Proceeds from borrowings		450,000	533,000
Repayment of borrowings		(63,202)	(71,558)
Repayment of lease liabilities		(1,322,685)	(1,316,407)
Net cash from financing activities		(935,887)	(854,965)
(Decrease)/increase in cash and cash equivalents		(263,213)	1,470
Cash and cash equivalents at beginning of year	2	472,826	471,356
Cash and cash equivalents at end of year	2	209,613	472,826

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2024

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2024	2023
	£	£
Loss before income tax	(1,891,921)	(99,621)
Depreciation charges	2,296,594	1,626,682
Profit on disposal of fixed assets	(19,057)	(121,910)
Finance costs	751,038	367,056
Finance income	(21,363)	(654)
	1,115,291	1,771,553
Decrease in trade and other receivables	141,460	406,099
Increase/(decrease) in trade and other payables	394,231	(1,106,792)
(Decrease)/increase in contract liabilities	(282,133)	282,133
Cash generated from operations	1,368,849	1,352,993

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2024

	31.3.24	1.4.23
	£	£
Cash and cash equivalents	209,613	472,826

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	472,826	471,370
Bank overdrafts	-	(14)
	472,826	471,356

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2024

1. STATUTORY INFORMATION

Tom White Waste Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

Tom White Waste Group consists of Tom White Waste Limited, A&M Metals and Waste Limited and Tom White Waste (LACO) Limited.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) using the acquisition method of accounting. All financial statements are made up to 31 March each year. Control is achieved when the Company:

- has power over the entity;
- is exposed to, or has rights to, variable returns from its involvement with the entity; and
- has ability to affect those returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring the accounting policies used in line whose those used by other members of the Group.

All intra-group transactions and balances on transactions between group companies are eliminated on consolidation.

continued...

2. **ACCOUNTING POLICIES - continued**

Going concern

The directors have prepared the financial statements on the going concern basis. The directors have considered the following factors in their assessment of going concern.

During the year, the business has maintained the revenue achieved at £21.07m compared to £21.57m in the year before, within a tougher market, where all businesses are experiencing a pressure on their cost base due to inflationary increases. The gross profit margin in the current year is 28.1% compared to 28% in the previous year, a strong position for the business. The percentage of disposal costs to revenue is a key metric and one that is being closely monitored by the Board due to the impact this has on the gross profit margin.

The business is able to meet its current obligations on existing loans and lease commitments. These have been met in the period and payments will continue to be made in line with the agreements. The cash position at the year end of £0.209m is lower than at the end of March 2023, but still positive. The Board of Directors have visibility of the cash flow forecast every month and the management team have more frequent oversight and management of the cash position. The execution of the intercompany loan and balance sheet restructure in 2024/25 have strengthened the cash position and place the company in a strong financial position moving forward.

The budget for the group for 2024/25 was presented and approved by the Coventry Shareholder Committee (a subcommittee of the Coventry City Council's Cabinet). The business achieved a positive EBITDA in 2023/24.

The Group has prepared a detailed three year financial forecast. Following the sale and leaseback transaction after the year end date, as disclosed in Note 25 to these financial statements, the group has sufficient cash reserves to continue trading for the foreseeable future. This is demonstrated in the three year financial forecast which shows a strong underlying business with opportunity for growth back to previously enjoyed EBITDA and profit levels based on the revenue assumptions and associated costs for delivery. The financial forecast to support the balance sheet restructure was independently reviewed as part of an independent business review and confirms that the actions and growth assumptions for future years by the management team and approved by the Board of Directors, demonstrates a viable underlying business with a strong business plan. This plan is currently being updated and will be presented to the Shareholder Committee in March 2025 as part of the Business Planning and budget review process.

The balance sheet structure and the business plan supports the Directors view that the company is a going concern. The Directors have a reasonable expectation that the group has adequate financial resources to continue to operate and have therefore prepared the financial statements on the going concern basis. This decision is based on the current operation and the forecast cashflow position.

continued...

2. **ACCOUNTING POLICIES - continued**

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements have been made in the process of applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements:

Deferred tax asset
The group has tax losses available for offset against future trading profits of approximately £4.7m at 31 March 2024 (2023: £3.3m). A deferred tax asset in respect of these losses of £1.2m (2023: £0.8m) has not been recognised as the expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition in future trading years.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Accruals
Estimation is required in determining an appropriate amount to accrue in respect of uninvoiced expenses. The amounts accrued are based on managements best estimate of such costs after considering works performed to the year end date.

Useful economic lives of fixed assets
Estimation is required in determining the useful economic lives over which assets are depreciated. In estimating the useful economic life of the asset management take into consideration expected condition and use of the asset.

continued...

2. **ACCOUNTING POLICIES - continued**

Revenue recognition
The Group's revenue is derived from the collection, transport, and disposal of commercial and domestic waste arising in the United Kingdom.

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. Landfill tax is included within cost of sales. The policies adopted for the recognition of revenue are as follows:

Sale of goods
Revenue from the sale of goods are recognised when control of the goods have transferred to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. This is usually on dispatch of the goods.

Rendering of services
Revenue from providing services, where performance obligations are satisfied over time, is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule which has usually been set to be broadly aligned with the volume of work performed. If the services rendered exceed the payments, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Dividend and interest income
Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established. Each is then shown separately in the statement of profit or loss and other comprehensive income.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Cash and cash equivalents
Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under ‘current liabilities’ on the Statement of Financial Position.

continued...

2. **ACCOUNTING POLICIES - continued**

Property, plant and equipment
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold land and buildings	-	2% on cost
Leasehold land and buildings	-	over period of the lease
Plant and machinery	-	3 - 10 years straight line
Fixtures and fittings	-	3 - 10 years straight line
Motor vehicles	-	3 - 10 years 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 charged or credited to profit and loss.

Impairment of property, plant and equipment
At each reporting period end date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication of impairment. Where impairment is indicated, the recoverable amount of the asset is estimated, which is calculated by the higher of fair value less costs of disposal compared with value in use, to determine the level of the impairment.

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages qualified third-party valuers to perform such valuations. The Board of Directors work with these valuers to establish an appropriate technical approach, understanding of the asset and to establish the inputs.

Value in use is calculated using estimated cash flows. These are discounted using an appropriate long-term pre-tax interest rate. When an impairment arises, the useful life of the asset in question is reviewed and, if necessary, the future depreciation/amortisation charge is accelerated.

When the recoverable amount of an asset is less than its carrying amount, then the carrying amount is reduced to its recoverable value. This reduction is reported in the statement of profit or loss and other comprehensive income as an impairment loss.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial instruments
Financial assets and financial liabilities are recognised when the Group becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss) are added to or deducted from the fair value as appropriate, on initial recognition.

Financial assets
Financial assets are subsequently classified into the following specified categories:

- financial assets at fair value through profit or loss, including held for trading;
- fair value through other comprehensive income; or
- amortised cost

The classification depends on the nature and purpose of the financial asset (ie. the Group's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

Financial assets are classified as at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are measured at amortised cost if they are held within a business mode whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss.

Equity investments
In the individual entity financial statements, investments in subsidiaries are recognised at cost, less provision for impairment losses.

A subsidiary is controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Financial liabilities
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities at amortised cost, which are measured using the effective interest method. At present the company does not have any financial liabilities at FVTPL.

Fair values
Fair value is the amounts for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the financial statements.

continued...

2. **ACCOUNTING POLICIES - continued**

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or a shorter period, on the net carrying amount on initial recognition.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

Leases

The Group applies IFRS 16 Leases. Accordingly leases are all accounted for in the same manner:

- A right of use asset and lease liability is recognised on the statement of financial position, initially measured at the present value of future lease payments;
- Depreciation of right-of-use assets and interest on lease liabilities are recognised in the statement of comprehensive income;
- The total amount of cash paid is recognised in the statement of cash flows, split between payments of principal (within financing activities) and interest (also within financing activities).

The initial measurement of the right of use asset and lease liability takes into account the value of lease incentives such as rent free periods.

The costs of leases of low value items and those with a short term at inception (defined as leases with a lease term of 12 months or less) are recognised as incurred.

Where ownership of the right-of-use asset transfers to the lessee at the end of the lease term, the right-of-use asset is depreciated over the asset’s remaining useful life. If ownership of the right-of-use asset does not transfer to the lessee at the end of the lease term, depreciation is charged over the shorter of the useful life of the right-of-use asset and the lease term.

Employee benefit costs

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the income statement in the period to which they relate.

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

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

continued...

2. ACCOUNTING POLICIES - continued

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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying value.

Provisions

Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

3. REVENUE

Revenue from contracts with customers

The Group generates revenue from the collection, transport, recycling and disposal of commercial and domestic waste all arising in the UK.

	2024	2023
	£	£
Rendering of services	21,068,301	21,567,957

Timing of Revenue Recognition:

	2024	2023
	£	£
Revenue recognised at a point in time	17,749,036	19,868,540
Revenue recognised over time	3,319,265	1,699,417
	21,068,301	21,567,957

The performance obligations from waste management and recycling revenues are satisfied at a point in time which is generally on collection of waste from customers. This relates to the roll on, roll off service, skips, trade waste revenue and revenue from the inbound gate. Invoices are raised on the date the service is completed and usually payable within 30 days. For some customers namely for domestic skip hire, payment would be collected in advance of the service being provided.

The performance obligation from the support provided to the municipal waste collections is satisfied over time as the services are provided. Invoices are usually raised the month the service is provided and payable within 14 days.

continued...

3. **REVENUE - continued**

Contract balances

	2024	2023
	£	£
Receivables included in "Trade and other receivables"	2,727,488	2,862,471

Contract liabilities

	2024	2023
Current		
Contract liabilities	-	282,133

A trade receivable is recognised when the group has issued an invoice and has unconditional right to receive payment. The invoice is typically issued as the performance obligations are satisfied.

Deferred revenue is recognised when payment is received from customers before the respective performance obligation is satisfied.

4. **OTHER OPERATING INCOME**

	2024	2023
	£	£
Rents received	97,500	16,250
Gain on finance lease termination	91,554	-
Management fees receivable	-	56,870
	189,054	73,120

continued...

5. EMPLOYEES AND DIRECTORS

	2024	2023
	£	£
Wages and salaries	6,728,645	6,013,984
Social security costs	694,541	951,282
Other pension costs	188,037	175,374
	7,611,223	7,140,640

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

	Group 2024 Number	Group 2023 Number	Company 2024 Number	Company 2023 Number
Directors	4	4	4	4
Finance and administration	19	29	19	29
Sales	6	4	6	4
Drivers	123	129	123	129
Transfer Yard	36	35	36	35
Workshop	4	4	4	4
	192	205	192	205

	2024	2023
	£	£
Directors' remuneration	144,493	124,969
Directors' pension contributions to money purchase schemes	18,757	11,741

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1	1

6. EXCEPTIONAL ITEMS

	2024	2023
	£	£
Exceptional Items	-	205,352

Exceptional items in the previous year relate to the disposal of assets acquired for the re-development of the Materials Recycling Facility ("MRF"), a project which was subsequently terminated during the year.

7. NET FINANCE COSTS

	2024	2023
	£	£
Finance income:		
Interest income	21,363	654

continued...

7. NET FINANCE COSTS - continued

	2024 £	2023 £
Finance costs:		
Bank loan interest	321,052	150,830
Other loan interest	34,507	9,682
Other interest	38,991	-
Late payment interest	3,798	5,555
Hire purchase	131,724	90,178
Leasing	220,966	110,811
	751,038	367,056
Net finance costs	729,675	366,402

Other loan interest represents amounts due to Coventry City Council for the year in respect of 'other loans' outstanding as shown in Note 19.

8. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging/(crediting):

	2024 £	2023 £
Leases	34,260	-
Depreciation - owned assets	846,242	749,442
Depreciation - assets on hire purchase contracts	1,450,351	877,242
Profit on disposal of fixed assets	(19,057)	(121,910)
Auditors remuneration	30,000	30,000

9. AUDITORS' REMUNERATION

	2024 £	2023 £
Fees payable to the company's auditors for the audit of the company's financial statements	30,000	30,000
Total audit fees	30,000	30,000

10. INCOME TAX

Analysis of tax (income)/expense

	2024 £	2023 £
Current tax:		
Adjustments in respect of prior periods	(11,639)	-
Deferred tax	(92,257)	214,230
Total tax (income)/expense in consolidated statement of profit or loss	(103,896)	214,230

continued...

10. **INCOME TAX - continued**

Factors affecting the tax expense
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2024	2023
	£	£
Loss before income tax	(1,891,921)	(99,621)
Loss multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%)	(472,980)	(18,928)
Effects of:		
Change in unrecognised deferred tax assets	334,189	333,797
Capital allowances in excess of depreciation	-	(89,360)
Depreciation on assets not qualifying for tax allowance	44,615	23,789
Revenue items capitalised	(15,994)	(8,193)
Effect of change in corporation tax rate	-	(22,950)
Other adjustments	17,913	(3,925)
Tax adjustment in respect of prior years	(11,639)	-
Tax (income)/expense	(103,896)	214,230

11. **LOSS OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(1,799,313) (2023 - £(252,593)).

continued...

12. PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £
COST			
At 1 April 2023	6,778,229	2,720,809	7,198,899
Additions	10,450	-	1,242,645
Disposals	-	-	(267,869)
At 31 March 2024	6,788,679	2,720,809	8,173,675
DEPRECIATION			
At 1 April 2023	966,583	161,686	4,049,615
Charge for year	114,487	254,435	960,461
Eliminated on disposal	-	-	(247,131)
At 31 March 2024	1,081,070	416,121	4,762,945
NET BOOK VALUE			
At 31 March 2024	5,707,609	2,304,688	3,410,730
At 31 March 2023	5,811,646	2,559,123	3,149,284

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2023	595,316	5,869,690	23,162,943
Additions	72,974	1,853,006	3,179,075
Disposals	-	(560,910)	(828,779)
At 31 March 2024	668,290	7,161,786	25,513,239
DEPRECIATION			
At 1 April 2023	378,209	2,992,972	8,549,065
Charge for year	99,081	868,129	2,296,593
Eliminated on disposal	-	(516,267)	(763,398)
At 31 March 2024	477,290	3,344,834	10,082,260
NET BOOK VALUE			
At 31 March 2024	191,000	3,816,952	15,430,979
At 31 March 2023	217,107	2,876,718	14,613,878

continued...

12. PROPERTY, PLANT AND EQUIPMENT - continued

Company

	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £
COST			
At 1 April 2023	6,778,229	2,720,809	7,198,899
Additions	10,450	-	1,242,645
Disposals	-	-	(267,869)
At 31 March 2024	6,788,679	2,720,809	8,173,675
DEPRECIATION			
At 1 April 2023	966,583	161,686	4,049,615
Charge for year	114,487	254,435	960,461
Eliminated on disposal	-	-	(247,131)
At 31 March 2024	1,081,070	416,121	4,762,945
NET BOOK VALUE			
At 31 March 2024	5,707,609	2,304,688	3,410,730
At 31 March 2023	5,811,646	2,559,123	3,149,284

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2023	595,316	5,869,690	23,162,943
Additions	72,974	1,853,006	3,179,075
Disposals	-	(560,910)	(828,779)
At 31 March 2024	668,290	7,161,786	25,513,239
DEPRECIATION			
At 1 April 2023	378,209	2,992,972	8,549,065
Charge for year	99,081	868,129	2,296,593
Eliminated on disposal	-	(516,267)	(763,398)
At 31 March 2024	477,290	3,344,834	10,082,260
NET BOOK VALUE			
At 31 March 2024	191,000	3,816,952	15,430,979
At 31 March 2023	217,107	2,876,718	14,613,878

continued...

13. INVESTMENTS

Company

	Shares in group undertaking £
COST	
At 1 April 2023 and 31 March 2024	101
NET BOOK VALUE	
At 31 March 2024	101
At 31 March 2023	101

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

A&M Metals & Waste Limited
Registered office: Unit 13a Stonebrook Way Longford Coventry West Midlands CV6 6LN
Nature of business: Waste management and recycling

Class of shares:	% holding
Ordinary	100.00

	31.3.24 £	31.3.23 £
Aggregate capital and reserves	30,848	19,395
Profit/(loss) for the year	11,453	(61,257)

Tom White Waste (LACO) Limited
Registered office: Unit 13a Stonebrook Way Longford Coventry West Midlands CV6 6LN
Nature of business: Waste management and recycling

Class of shares:	% holding
Ordinary	100.00

	31.3.24 £	31.3.23 £
Aggregate capital and reserves	(164)	1
Loss for the year	(165)	-

continued...

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Current:				
Trade debtors	2,727,488	2,862,471	2,727,488	2,755,564
Amounts owed by group undertakings	-	-	1,532,126	1,599,482
Other debtors	2,794	92,203	2,794	92,203
Prepayments and accrued income	478,689	395,757	478,689	395,757
	3,208,971	3,350,431	4,741,097	4,843,006

15. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Cash in hand	713	199	713	199
Bank deposit account	1,120	-	1,120	-
Bank accounts	207,780	472,627	207,717	472,139
	209,613	472,826	209,550	472,338

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024 £	2023 £
100	Ordinary	£1	100	100

continued...

17. RESERVES

Group

	Retained earnings £
At 1 April 2023	3,044,082
Deficit for the year	(1,788,025)
At 31 March 2024	1,256,057

Company

	Retained earnings £
At 1 April 2023	3,024,787
Deficit for the year	(1,799,313)
At 31 March 2024	1,225,474

18. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Current:				
Trade creditors	3,304,483	2,420,241	3,122,532	2,420,242
Amounts owed to group undertakings	7,154	503,880	1,860,549	2,135,565
Social security and other taxes	702,168	748,009	581,965	627,806
Other creditors	88,877	109,506	88,877	109,506
Accruals and deferred income	1,186,597	1,113,412	1,186,597	1,113,412
	5,289,279	4,895,048	6,840,520	6,406,531

19. FINANCIAL LIABILITIES - BORROWINGS

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Current:				
Bank loans	300,840	300,840	300,840	300,840
Leases (see note 20)	1,448,552	1,116,985	1,448,552	1,116,985
	1,749,392	1,417,825	1,749,392	1,417,825

continued...

19. **FINANCIAL LIABILITIES - BORROWINGS - continued**

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Non-current:				
Bank loans - 1-2 years	3,399,963	2,931,265	3,399,963	2,931,265
Other loans - 1-2 years	510,792	533,000	510,792	533,000
Leases (see note 20)	5,499,032	4,594,247	5,499,032	4,594,247
	9,409,787	8,058,512	9,409,787	8,058,512

Terms and debt repayment schedule

Group

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Bank loans	300,840	300,840	902,520	2,196,603	3,700,803
Other loans	-	-	510,792	-	510,792
Leases	1,448,552	1,369,232	2,940,553	1,189,247	6,947,584
	1,749,392	1,670,072	4,353,865	3,385,850	11,159,179

Company

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Bank loans	300,840	300,840	902,520	2,196,603	3,700,803
Other loans	-	-	510,792	-	510,792
Leases	1,448,552	1,369,232	2,940,553	1,189,247	6,947,584
	1,749,392	1,670,072	4,353,865	3,385,850	11,159,179

continued...

19. **FINANCIAL LIABILITIES - BORROWINGS - continued**

Bank loans and overdrafts
Bank loan of £3,242,401 is repaid in monthly instalments until March 2035 after which time the amount outstanding will be repayable in full. Interest on this loan is charged at 2.25% per annum above the Bank of England base rate.

During the year, the group entered into a new bank loan facility for £450,000 repayable in full by August 2035. Interest is charged at 2.25% per annum above the Bank of England base rate. Interest is paid in quarterly instalments at the end of each interest period. The loan balance outstanding at 31 March 2024 is £458,402.

After the year end date, the Group has undertaken a balance sheet restructure with the sale and leaseback of the site that this liability is secured against. As a result of that transaction, this liability has been settled for payment in 2024/25 and will be reflected in the accounts for Group during that financial year.

Other loans
Other loans represents amount payable to Coventry City Council under a loan facility agreement dated 15th December 2022 for the redevelopment of the Materials Recycling Facility ("MRF") which was subsequently terminated during the year. Under the terms of the agreement interest rate on the loan is 6.50% per annum, however, the repayment term varied depending on the drawdown from the facility. Following termination of the project, the loan term was revised to three years. The loan is secured against plant and equipment of the company under a charge dated 21st December 2016.

Post the year end the Group entered into an intercompany loan with Coventry Technical Resources Limited which will be settled as part of the sale and leaseback transaction and reflected in the accounts for 2024/25.

Secured debts:
Bank loans and overdraft are secured by the following:

- A mortgage debenture, dated 21/01/1991, over the assets of the company.

- A first legal mortgage, dated 21/08/2013, over 1 Coronel Avenue, Rowleys Green, Coventry.

- A first legal mortgage, dated 30/03/2015, over 75 Longford Road, Coventry.

- A first legal mortgage, dated 21/12/2016, over Unit 13A, Stonebrook Way, Longford, Coventry.

- A first legal mortgage, dated 28/07/1998, over land ex Grimley Haulage Depot, Off Stonebrook Way, Longford, Coventry vesting in the company name.

- Guarantee given by company Tom White Waste Limited, Waste Masters Hire Limited dated 17/11/2017.

- Collateral warranties relating to a project at 75 Longford Road, Coventry.

The Group's obligations under leases are secured by the lessors' title to the leased assets.

continued...

20. **LEASING**

Group
Right-of-use assets

Property, plant and equipment

	2024	2023
	£	£
COST		
At 1 April 2023	9,049,444	5,519,026
Additions	2,618,862	3,918,713
Disposals	(118,500)	(309,000)
Transfer to ownership	(2,159,503)	(79,295)
	9,390,303	9,049,444
DEPRECIATION		
At 1 April 2023	2,560,743	1,807,767
Charge for year	1,450,351	877,242
Eliminated on disposal	(97,762)	(82,400)
Transfer to ownership	(1,665,285)	(41,866)
	2,248,047	2,560,743
NET BOOK VALUE	7,142,256	6,488,701

continued...

Company
Right-of-use assets

Property, plant and equipment

	2024 £	2023 £
COST		
At 1 April 2023	9,049,444	5,519,026
Additions	2,618,862	3,918,713
Disposals	(118,500)	(309,000)
Transfer to ownership	(2,159,503)	(79,295)
	9,390,303	9,049,444
DEPRECIATION		
At 1 April 2023	2,560,743	1,807,767
Charge for year	1,450,351	877,242
Eliminated on disposal	(97,762)	(82,400)
Transfer to ownership	(1,665,285)	(41,866)
	2,248,047	2,560,743
NET BOOK VALUE	7,142,256	6,488,701

Group
Other leases

	2024 £	2023 £
Short-term leases	34,260	-

continued...

20. **LEASING - continued**

Group
Lease liabilities

Minimum lease payments fall due as follows:

	2024	2023
	£	£
Gross obligations repayable:		
Within one year	1,814,004	1,396,209
Between one and five years	5,232,909	3,881,151
In more than five years	1,363,378	1,850,162
	8,410,291	7,127,522
Finance charges repayable:		
Within one year	365,452	279,224
Between one and five years	923,124	844,947
In more than five years	174,131	292,119
	1,462,707	1,416,290
Net obligations repayable:		
Within one year	1,448,552	1,116,985
Between one and five years	4,309,785	3,036,204
In more than five years	1,189,247	1,558,043
	6,947,584	5,711,232

continued...

20. **LEASING - continued**

Group

The Group leases land and buildings, plant and machinery and motor vehicles. All leases are on fixed repayments terms with no arrangements being entered into for contingent rental payments.

In July 2022, the Group entered into a ten year lease agreement with a third party for open storage and ancillary site offices for annual minimum lease payments of £353,500. The lease liability is recognised in the financial statements at the present value of future minimum lease payments.

In February 2023, the Group entered into a five year sub-lease agreement with a third party for part of the open storage site for annual rental income of £65,000. The Group has classified the lease by reference to the right-of-use asset arising from the head lease and the sub-lease as lease income. During the term of the sub lease, the Group retains the lease liability and the right-of-use asset relating to the head lease in its statement of financial position, recognising depreciation charge for the right-of-use asset and interest on the lease liability and lease income from the sub lease. The leases include restrictions on the use of asset.

Plant and machinery and motor vehicles include non-cancellable leases with terms ranging usually between one to five years. In some cases, the Group has entered into lease agreements ending in more than five years.

The average rate applied to measure lease liabilities during the year was 4.10% per annum (2022: 3% per annum).

During the year, the Group entered into a short term lease agreements where the right-of-use asset and corresponding lease liabilities has not been recognised in the statement of financial position. At 31st March 2024, total undiscounted lease payments due under such agreement is £4,794 (2023: £8,334).

continued...

20. **LEASING - continued**

Company
Lease liabilities

Minimum lease payments fall due as follows:

	2024 £	2023 £
Gross obligations repayable:		
Within one year	1,814,004	1,396,209
Between one and five years	5,232,909	3,881,151
In more than five years	1,363,378	1,850,162
	8,410,291	7,127,522
Finance charges repayable:		
Within one year	365,452	279,224
Between one and five years	923,124	844,947
In more than five years	174,131	292,119
	1,462,707	1,416,290
Net obligations repayable:		
Within one year	1,448,552	1,116,985
Between one and five years	4,309,785	3,036,204
In more than five years	1,189,247	1,558,043
	6,947,584	5,711,232

continued...

20. **LEASING - continued**

Company

The company leases land and buildings, plant and machinery and motor vehicles. All leases are on fixed repayments terms with no arrangements being entered into for contingent rental payments.

In July 2022, the company entered into a ten year lease agreement with a third party for open storage and ancillary site offices for annual minimum lease payments of £353,500. The lease liability is recognised in the financial statements at the present value of future minimum lease payments.

In February 2023, the company entered into a five year sub-lease agreement with a third party for part of the open storage site for annual rental income of £65,000. The company has classified the lease by reference to the right-of-use asset arising from the head lease and the sub-lease as lease income. During the term of the sub lease, the company retains the lease liability and the right-of-use asset relating to the head lease in its statement of financial position, recognising depreciation charge for the right-of-use asset and interest on the lease liability and lease income from the sub lease. The leases include restrictions on the use of asset.

Plant and machinery and motor vehicles include non-cancellable leases with terms ranging usually between one to five years. In some cases, the company has entered into lease agreements ending in more than five years.

The average rate applied to measure lease liabilities during the year was 4.10% per annum (2023: 3.75% per annum).

During the year, the company entered into a short term lease agreements where the right-of-use asset and corresponding lease liabilities has not been recognised in the statement of financial position. At 31st March 2024, total undiscounted lease payments due under such agreements is £4,794 (2023: £8,334).

21. FINANCIAL INSTRUMENTS

The Group holds or issues financial instruments to finance its operations and enter contracts with customers and suppliers to manage risks arising from its operations and its sources of finance in accordance with the Group's accounting policies. The Group's financial instruments comprise trade and other receivables, amounts due from group undertakings, trade and other creditors and amounts due to group undertakings all of which arise directly from the operations of the Group. Cash is held with reputable financial institutions to minimise credit risk.

The Group's operations are financed by various sources which include finance leases, long term loans and retained earnings. Working capital requirements are principally funded out of retained earnings, however, during the year, the Group was granted an approved loan facility of £22.7m by Coventry City Council for the purpose of improving the Material Recycling Facility ("MRF"), a project which was subsequently terminated during the year, with only £0.5m drawn down for development of the project.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

The group's main credit risk arises from trade receivables, being amounts owed by customers. The group offers credit terms to customers which are typically 30 days from invoice date.

The group monitors their trade receivables and trade payables on a regular basis to understand any pressures and assess the uncertainty in relation to receipts and payments. The Finance team are in regular contact with customers and suppliers to ensure that the group's financial liabilities can be met. The group has resources to manage its aged debtors and escalate any concerns as necessary. The Board of Directors have oversight in relation to the group's debtors and creditors position as part of the monthly board packs .

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than one year.

The following table shows a maturity analysis of the group's trade receivables:

	2024	2023
	£	£
1 - 30 days	2,229,298	1,667,126
31 - 60 days	133,387	563,340
61 - 90 days	8,476	261,430
91 - 120 days	356,327	370,575
	2,727,488	2,862,471

Liquidity risk
Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group aims to maintain sufficient levels of cash and cash equivalents to meet its obligations as they fall due. At 31 March 2024 that group had cash and cash equivalents of £209,613 (2023: £472,826).

continued...

A weekly cashflow is shared with the Board of Directors to highlight the financial impact of operational performance and to inform management of any action that maybe required. The group has a risk register in place to limit the adverse effect of the financial performance of the group by monitoring levels of debt and related finance costs.

Trade and other payables:

The group monitors the level of expected cash inflows on trade and other receivables together with expected outflows on trade and other payables. At 31 March 2024, the expected inflows from trade debtors within 30 days was £2,229,298 (2023: £1,667,126) and the expected outflows from trade creditors within 30 days was £1,279,120 (2023: £1,283,173). The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows

The following table shows a maturity analysis of the group's trade payables:

	2024	2023
	£	£
1 - 30 days	1,279,120	1,283,173
31 - 60 days	833,436	777,579
61 - 90 days	233,079	123,855
91 - 120 days	958,848	235,634
	3,304,483	2,420,241

Exposure to liquidity risk

The following tables show the group's remaining contractual maturities of cash outflows of financial liabilities at the reporting date. The amounts are net and undiscounted, and do not include contractual interest payments and exclude the impact of netting agreements.

2024	Total	1 year or less	1-2 years	2-5 years	More than5 years
	£	£	£	£	£
Lease liabilities	6,947,584	1,448,552	1,369,232	2,940,553	1,189,247
Bank loans and overdrafts	3,700,803	300,840	300,840	902,520	2,196,603
Other loans	510,792	-	-	510,792	-
	11,159,179	1,749,392	1,670,072	4,353,865	3,385,850

2023	Total	1 year or less	1-2 years	2-5 years	More than5 years
	£	£	£	£	£
Lease liabilities	5,711,232	1,116,985	969,201	2,067,003	1,558,043
Bank loans and overdrafts	3,232,105	300,840	300,840	902,520	1,727,905
Other loans	533,000	-	-	533,000	-
	9,476,337	1,417,825	1,270,041	3,502,523	3,285,948

The group continues to meet its obligations in respect of its financial borrowings. Management and directors have regular meetings with their lenders and providers of capital asset financing. Cash flows in the maturity analysis are not expected to occur significantly earlier than contractually disclosed above.

continued...

Market risk
Market risk is the risk that changes in market prices will affect the group's income and expenditure or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Exposure to Interest rate risk
The group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the group to interest rate risk. Borrowings obtained at fixed rates expose the group to fair value risk

Interest on bank loans is charged at 2.25% per annum above the Bank of England base rate of interest.

Interest on other loans is charged at 6.50% per annum. Other loans represent amounts payable to Coventry City Council under the terms of the approved loan facility agreement dated 15 December 2022 for the redevelopment of the Materials Recycling Facility ("MRF"), a project which was subsequently terminated during the year.

At 31 March 2024 the Bank of England base rate was 5.25% compared to 4.25% at the previous reporting date. During the current financial year, the Bank of England's base rate was reduced to 5%. This is closely monitored by management and directors to ensure the group continues to meet its financial obligations for the foreseeable future. The directors will consider the impact of proposed changes in interest rate at each board meeting to assess the impact this will have on the available cash reserves to meet debt servicing costs alongside the impact on the forecast profits and consider the options available to best manage this.

Sensitivity Analysis: Other loans and Secured Bank Loans

The following table shows a sensitivity analysis of how profit and loss would have been affected by changes in the interest rate on variable-rate instruments at the reporting date.

	Profit or Loss £	Equity £
Bank of England base rate at 5.5%	(13,648)	(13,348)
Bank of England base rate at 7.0%	(62,284)	(62,284)

22. DEFERRED TAX

Group

	2024 £	2023 £
Balance at 1 April	1,248,711	1,034,481
(Credit)/Charge to profit or loss	(92,257)	214,230
Balance at 31 March	1,156,454	1,248,711

Company

	2024 £	2023 £
Balance at 1 April	1,248,711	1,034,481
(Credit) to profit or loss	(92,257)	214,230
Balance at 31 March	1,156,454	1,248,711

continued...

22. **DEFERRED TAX - continued**

From 17 March 2020 the substantively enacted UK corporation tax rate was 19% as announced by the Government in the Spring Budget 2020. However, the UK corporation tax rate increased to 25% with effect from 1 April 2023 per Finance Bill 2021. This increased tax rate was substantively enacted on 24 May 2021. As a result, deferred tax has been calculated at a rate of 25%.

The company has taxable trading losses available for offset against future taxable trading profits of approximately £4.7m at 31 March 2024 (2023: £3.3m). A deferred tax asset in respect of these losses of £1.2m (2023: £0.8m) has not been recognised as the expected utilisation of these trade losses and the recovery of the deferred tax asset is uncertain. The losses remain available for offset against future taxable profits and the directors will consider the recognition in future trading years.

23. **PENSION COMMITMENTS**

The company operates a defined contribution retirement benefit plan for all qualifying employees. The assets of the plans are held separately from those of the company in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the company are reduced by the amount of forfeited contributions.

The total expense recognised in the statement of profit or loss and other comprehensive income of £188,037 (2023: £175,373) represents contributions payable to these plans by the company at rates specified in the rules of the plans. As at 31 March 2024 contributions of £38,793 (2023: £25,709) due in respect of the reporting period had not been paid over to the plans. The amounts were paid over subsequent to the end of the reporting period.

24. **RELATED PARTY DISCLOSURES**

Receivables from and payables to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Entities with common control:

	Group 2024 £	**Group** 2023 £	**Company** 2024 £	**Company** 2023 £
Current assets:				
Amounts owed by group undertakings	-	-	1,532,126	1,599,482
Current liabilities:				
Amounts due to group undertakings	-	-	1,853,395	1,631,685

Coventry City Council:

	Group 2024 £	**Group** 2023 £	**Company** 2024 £	**Company** 2023 £
Current assets:				
Trade debtors	181,087	245,612	181,087	245,612
Current liabilities:				
Amounts owed by group undertakings	7,154	503,880	7,154	503,880
Trade creditors	988,352	663,519	988,352	663,519
Accruals	920,000	800,000	920,000	800,000

Loans to and from related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

Coventry City Council:

	Group 2024 £	**Group** 2023 £	**Company** 2024 £	**Company** 2023 £
Non-current liabilities				
Other loans	510,792	533,000	510,792	533,000

Transactions with related parties
The following transactions occurred with related parties during the year:

Entities with common control:

	Group 2024 £	**Group** 2023 £	**Company** 2024 £	**Company** 2023 £
Income				
Management fees	-	-	3,753,182	2,701,678

continued...

Coventry City Council:

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Income				
Sales	3,753,182	2,701,678	-	-
Expenditure				
Management charge	-	72,323	-	72,323
Interest payable on other loans (see Note 7)	34,507	9,682	34,507	9,682

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

25. EVENTS AFTER THE REPORTING PERIOD

On 14th January 2025, the ultimate shareholder, Coventry City Council approved to undertake the sale and leaseback of the main operational site on Blackburn Road owned by Tom White Waste. Following approval, the legal documents have been executed and the transaction was completed on 27 January 2025. The impact of the transaction will be reflected in the accounts for 2024/25.

26. ULTIMATE CONTROLLING PARTY

The immediate parent company is Coventry Municipal Holdings Limited whose registered office address is Council House, Coventry, CV1 5RR. The consolidated financial statements of Tom White Waste Limited are incorporated in the consolidated financial statements of Coventry Municipal Holdings Limited which are available from its address.

The ultimate parent entity and ultimate controlling party of Tom White Waste Limited is Coventry City Council whose registered office address is Coventry City Council, Council House, Coventry, CV1 5RR. The consolidated financial statements of the group are available from this address.

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Coventry City Council

Public report
Committee Report

Audit and Procurement Committee 26th March 2025

Name of Cabinet Member:
N/A

Director approving submission of the report:
Director of Law and Governance

Ward(s) affected:
N/A

Title: Outstanding Issues

Is this a key decision?
No

Executive summary:

This report is to identify those issues on which further reports / information has been requested or are outstanding so that Members are aware of them and can monitor their progress.

Recommendations:

The Audit and Procurement Committee is recommended to:

1) Consider the list of outstanding items as set out in the Appendices to the report, and to ask the Director concerned to explain the current position on those items which should have been discharged.

2) Agree that those items identified as completed within the Appendices to the report, be confirmed as discharged and removed from the outstanding issues list.

List of Appendices included:

Appendix 1 - Further Report Requested to Future Meeting
Appendix 2 - Information Requested Outside Meeting

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

Has it, or will it be considered by any other Council Committee, Advisory Panel, or other body?

No

Will this report go to Council?

No

Report title: Outstanding Issues

1. Context (or background)

1.1 In May 2004, the City Council adopted an Outstanding Minutes system, linked to the Corporate Forward Plan, to ensure that follow-up reports can be monitored and reported to Members.

1.2 At their meeting on 25th January 2017, the Audit and Procurement Committee requested that, in addition to further reports being incorporated into the Committee's Work Programme, a report be submitted to each meeting detailing those additional reports requested to a future meeting along with details of additional information requested outside the formal meeting.

1.3 Appendix 1 to the report outlines items where a report back has been requested to a future Committee meeting, along with the anticipated date for further consideration of the issue.

1.4 In addition, Appendix 2 to the report sets out items where additional information was requested outside the formal meeting along with the date when this was completed.

1.5 Where a request has been made to delay the consideration of the report back, the proposed revised date is identified, along with the reason for the request.

2. Options considered and recommended proposal

N/A

3. Results of consultation undertaken

N/A

4. Timetable for implementing this decision

N/A

5. Comments from the Director of Finance and the Director of Law and Governance

5.1 **Financial implications**

N/A

5.2 **Legal implications**

N/A

6. Other implications

6.1 **How will this contribute to achievement of the One Coventry Plan?**
https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan

N/A

6.2 **How is risk being managed?**

This report will be considered and monitored at each meeting of the Audit and Procurement Committee.

6.3 **What is the impact on the organisation?**

N/A

6.4 **Equalities / EIA**

N/A

6.5 **Implications for (or impact on) climate change and the environment**

N/A

6.6 **Implications for partner organisations?**

N/A

Report author:

Name and job title:
Michelle Salmon
Governance Services Officer

Service Area:
Law and Governance

Tel and email contact:
E-mail: michelle.salmon@coventry.gov.uk
Tel: 024 7697 2642

Enquiries should be directed to the above person.

This report is published on the council's website: www.coventry.gov.uk/council-meetings

Appendix 1

Further Reports Requested to Future Meetings

	Subject	Minute Reference and Date Originally Considered	Date for Further Consideration	Responsible Officer	Proposed Amendment to Date for Consideration	Reason for Request to Delay Submission of Report
	Nil					

*** Identifies items where a report is on the agenda for the meeting.**

Appendix 2

Information/Action Requested Outside Meeting

No.	Subject/Report	Minute Reference and Date Originally Considered	Information Requested / Action Required	Responsible Officer	Date Completed
1.	Procurement and Commissioning Progress Report	Audit and Procurement Committee 18th March 2024 - Minute 59/23	Members requested that further information on the procurement of mobile phone contracts and the amount from the budget being spent on spot contracts, be circulated to them	Rob Amor	
2	Annual Compliance Report 2023 – Regulatory and Investigatory Powers Act (RIPA) 2000	Audit and Procurement Committee 25th November 2024 Minute 37/24	Members requested that further information be provided in relation to the use of RIPA powers as a further method of surveillance in respect of flytipping	Remi Aremu	29th January 2025

Audit and Procurement Committee

Work Programme 2024/25

3rd June 2024 – Additional Meeting

Consideration of Approval of Severance Packages (Private)

24th June 2024

Local Code of Corporate Governance
Internal Audit Annual Report 2023/2024
Internal Audit External Quality Assessment
Consideration of Approval of Severance Packages - 2 reports (Private)

22nd July 2024

Revenue and Capital Outturn 2023/2024
Audit and Procurement Committee Annual Report to Council 2023/2024
Internal Audit Plan 2024/2025
Annual Fraud and Error Report 2023/2024

30th September 2024

First Quarter Revenue and Capital Monitoring Report (to June 2024)
Whistleblowing Annual Report 2023/2024
Annual Governance Statement 2023/2024
Corporate Risk Report
Six Monthly Procurement Progress Report (Private)

25th November 2024

Treasury Management Update 2024-25 – Half Year Progress Report
Internal Audit Plan 2024-25 – Half Year Progress Report
2023 Annual Compliance Report - Regulatory & Investigatory Powers Act (RIPA) 2000
2023/24 External Audit Plan and Related Audit Reports
External Audit Documentation Relating to the Council's 2020/21, 2021/22 and 2022/23 Statutory Accounts

3rd February 2025

External Auditor’s Annual Report 2023/24 Statement of Accounts (Grant Thornton)
External Auditor’s Annual Report 2023/24 Value for Money (Grant Thornton)
Quarter Two Revenue and Capital Monitoring Report 2024/2025 (to September 2024)
Information Governance Annual Report 2023
Half Year Fraud and Error Report 2024/2025
Complaints to the Local Government and Social Care Ombudsman 2023/2024
Coventry Municipal Holdings Group Accounts 31st March 2023 and 31st March 2024

17th February 2025 – Additional Meeting

Disclaimed 2023-24 Statement of Accounts

17th March 2025

Corporate Risk Report
Internal Audit Recommendation Tracking Report
Quarter Three Revenue and Capital Monitoring Report 2024/2025 (to December 2024)
Quarter Three Internal Audit Progress Report 2024/2025
Six Monthly Procurement Progress Report (Private)

Future Items – Date to be Confirmed

Data Analytics, Including Use of Artificial Intelligence
2024 Annual Compliance Report - Regulatory & Investigatory Powers Act (RIPA) 2000

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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