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Agenda

Coventry Shareholder Committee

Time and Date
2.00 pm on Wednesday, 26th March, 2025

Place
Committee Room 3 - Council House

1. **Apologies for Absence**

2. **Declarations of Interest**

3. **Minutes** (Pages 3 - 8)

   (a) To agree the minutes of the previous meeting held on 21st November 2024.

   (b) Any matters arising

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. **Coventry Municipal Holdings Limited - Accounts for the Year Ending 31st March 2024** (Pages 9 - 316)

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

6. **Coventry and Warwickshire Growth Hub Business Plan (Financial Year 2025/26)** (Pages 317 - 334)

   Report of the Director of Finance and Resources

7. **Strategic Energy Partnership Annual Business Plan 2025/26** (Pages 335 - 408)

   Report of the Director of Regeneration and Economy and Director of Innovation

8. **UKBIC Business Plan 2025/26** (Pages 409 - 414)

   Report of the Director of Finance and Resources

9. **Business Planning Cycle for 2025/26 for the Coventry Municipal Holdings Group** (Pages 415 - 424)

Report of the Director of Finance and Resources

10. **Any other items of public business**

11. **UKBIC Business Plan 2025/26** (Pages 425 - 454)

Report of the Director of Finance and Resources

(Listing Officer S. Weir, email: stephen.weir@coventry.gov.uk)

12. **Business Planning Cycle for 2025/26 for the Coventry Municipal Holdings Group** (Pages 455 - 556)

Report of the Director of Finance and Resources

(Listing Officer P. Mudhar, email: parminder.mudhar@coventry.gov.uk)

13. **Any other items of private business**

Julie Newman, Chief Legal Officer, Council House, Coventry

Tuesday, 18 March 2025

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

Membership: Councillors N Akhtar, L Bigham, R Brown, K Caan, G Duggins (Chair), P Hetherton, AS Khan, J O'Boyle, K Sandhu and P Seaman

By invitation – Non-Voting Opposition Members: Councillors P Male, E M Reeves, G Ridley

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Lara Knight
Email: lara.knight@coventry.gov.uk

Coventry City Council
Minutes of the Meeting of Coventry Shareholder Committee
held at 3.00 pm on 21 November 2024

Present:	
Members:	Councillor G Duggins (Chair)
	Councillor L Bigham Councillor R Brown Councillor P Hetherton Councillor AS Khan Councillor J O'Boyle Councillor K Sandhu Councillor P Seaman
Coventry and Warwickshire Growth Hub	C Humphrey (CEO) A Williams (Director)
Coventry Municipal Holdings Limited:	G Sangha (Secretary) A Walster (Director)
Strategic Energy Partnership	P Wallace (Head of Coventry Strategic Energy Partnership) J Martin (Solution Strategy and Coordination Lead, City Energy Transformation)
UKBIC Limited	A Williams (Director)
Employees (by Directorate):	
Finance	B Hastie (Director of Finance and Resources), M Philips
Law and Governance	A West
Regeneration and Economy	A Livesey, R Palmer, P Singh, S Weir
Apologies:	Councillor N Akhtar

Public Business

1. **Declarations of Interest**

There were no disclosable pecuniary interests.

2. **Minutes**

The minutes of the meeting held on 23rd April 2024 were agreed and signed as a true record. There were no matters arising.

3. **Exclusion of Press and Public**

RESOLVED that the press and public be excluded under Section 100(A)(4) of the Local Government Act 1972 for the consideration of the following private reports on the grounds that the reports involve the likely disclosure of information defined in Paragraphs of Schedule 12A of the Act as indicated, and that in all circumstances of the cases, the public interest in maintaining the exemption outweighs the public interest in disclosing the information:

Minute Number	**Report Title**	**Paragraph(s) of Section 12A of the Act**
9	**Coventry and Warwickshire Growth Hub Half-Year Report (Financial Year 2024/25)**	**3**
10	**UKBIC 6-Month Performance report 2024/25**	**3**
11	**Coventry Municipal Holdings Limited Annual Performance Report year ended 31st March 2024**	**3**

4. **Strategic Energy Partnership Performance Update – November 2024**

The Committee considered a report of the Director of Regeneration and Economy and the Director of Innovation which provided an update on Strategic Energy Partnership activity since the approval of the Strategic Business Plan and Annual Business Plan at Shareholders Committee on 23rd April 2024.

The fifteen-year Strategic Energy Partnership between the Council and E.ON is the first of its kind in the UK and has the potential to put Coventry at the forefront of the net zero transition. The Council's relationship with E.ON will help support the development of ground-breaking projects, with potential funding from E.ON as well as other sources.

There has been a significant amount of activity over the last six months. Projects underway include a five-year energy supply contract, development of solar/heat pump projects in schools and four council-owned or run buildings, installation of EV charging points and a home energy efficiency programme. A key milestone that has been achieved is the production of the Coventry energy plan, which provides a detailed baseline of energy infrastructure challenges and opportunities to help prioritisation of future projects the partnership develops going forwards to maximise impact. In addition, there are currently nine social value projects that generate benefits to local communities either delivered or underway which include school education programmes, work placements, a community growing programme and tree planting.

It was noted that the Scrutiny Co-ordination Committee had considered the report on 20 November and recommended that the Coventry Shareholder Committee approve the recommendations in the report.

RESOLVED that, the Coventry Shareholder Committee receive and note the update on Strategic Energy Partnership activity since approval of the Annual Business Plan 2024/25, as per the agreed governance process which is set out in the Strategic Energy Partnership Joint Venture Contract.

5. **Coventry and Warwickshire Growth Hub Half-Year Report (Financial Year 2024/25)**

The Committee considered a report of the Director of Finance and Resources relating to the performance of the Coventry and Warwickshire Growth Hub (CWGH) for the first half of the 2024/25 financial year.

The CWGH has been established since 2014 and is firmly integrated as part of a successful Coventry and Warwickshire economic area – providing a 'one stop' centre for local businesses, with advice and guidance on the most appropriate support for their needs.

The CWGH Business Plan was approved by the Shareholder Committee on 23rd April 2024. The CWGH half-year report outlines the performance based on the Business Plan during the Financial Year 2024/25, detailing income and operating costs for the 'core' Growth Hub. There are limited risks with the company balance sheet and CWGH has sufficient resources to meet liabilities as they fall due. The Council is not responsible for meeting liabilities in its role as shareholder, as CWGH is a private limited company.

Primary objectives and priorities for the period of the Business Plan remain unchanged with the CWGH focussing on accessing and supporting sub-regional small and medium-sized enterprises (SMEs), plugging them in to relevant and available support partners and their programmes - such as those funded through the UK Shared Prosperity Fund.

Based on the content of the CWGH Business Plan, the half-year performance report identifies that the CWGH is ahead of the overall Key Performance Indicators target set within the Grant Agreement, and this trend is expected to continue for the remainder of the financial year.

A corresponding private report detailing confidential financial matters was also submitted for consideration (minute 9 below refers).

It was noted that the Scrutiny Co-ordination Committee had considered the report on 20 November and recommended that the Coventry Shareholder Committee agree the recommendations in the report, and that future reports be considered as public items of business.

RESOLVED that the Coventry Shareholder Committee, subject to the consideration of the additional confidential information contained in the corresponding private report, approve the Coventry and Warwickshire Growth Hub half-year performance report, attached to Appendix 1 of the corresponding private report.

6. **UKBIC 6-Month Performance report 2024/25**

The Committee considered a report of the Director of Finance and Resources relating to the performance of UKBIC for the first half of the 2024/25 financial year.

The UK Battery Industrialisation Centre (UKBIC) Limited is a state of the art, 20,000m^2 battery manufacturing research and development facility on Rowley Road which was formally opened in July 2021. UKBIC is an open access facility designed to allow UK manufacturers to trial and industrialise the next generation of batteries for electric vehicles and other applications, which is essential to the UK's net zero ambitions.

Between November 2017 and October 2019, the Council approved the acceptance of £114m grant funding from Innovate UK's Faraday Battery Challenge towards the total cost of £132m to develop the UKBIC facility. The remaining £18m was provided in the form of an £18m repayable grant (essentially an interest free loan) from WMCA.

The Faraday Battery Challenge was established by government in 2018 to invest in research and innovation projects, and facilities, to drive the growth of a strong battery business in the UK. Securing UKBIC in the Coventry area is critical to the future of the area's world-class automotive and advanced manufacturing cluster.

UKBIC Ltd was established in order to operate the facility. CCC owns 100% of the shares in UKBIC Ltd, and has two CCC directors who sit on the board, including the Chair. The remaining board seats are made of up of the UKBIC Managing Director and Finance Director, a representative from Government's Advanced Propulsion Centre (APC) and independent battery / automotive industry experts. In addition, the Faraday Challenge Director attends the board as an observer.

The Faraday Battery Challenge reviews and approves the UKBIC Ltd business plan on a regular basis to ensure that the business is sustainable and that it is meeting the technology needs of the UK automotive industry, and provides core operational funding to UKBIC Ltd.

A corresponding private report detailing confidential financial matters was also submitted for consideration (minute 10 below refers).

It was noted that the Scrutiny Co-ordination Committee had considered the report on 20 November and recommended that the Coventry Shareholder Committee agree the recommendations in the report.

RESOLVED that the Coventry Shareholder Committee, subject to the consideration of the additional confidential information contained in the corresponding private report, approve the UKBIC 6 month performance report 2024/25, attached to Appendix 1 of the corresponding private report.

7. **Coventry Municipal Holdings Limited Annual Performance Report year ended 31st March 2024**

The Committee considered a report of the Director of Finance and Resources, relating to the performance of Coventry Municipal Holdings Ltd (CMH) for the year ended 31st March 2024.

The Annual Performance Report is focused on a backward look over the 12 months of operation from April 2023 to March 2024 for CMH and its subsidiaries which includes the following entities.

- Coombe Abbey Park Ltd, including two subsidiaries:
  - No Ordinary Hospitality Management Ltd
  - Coombe Abbey Park (LACo) Ltd

- Tom White Waste Ltd, including two subsidiaries:
  - A&M Metals & Waste Ltd
  - Tom White Waste (LACo) Ltd

- Coventry Regeneration Ltd
- Coventry Technical Resources Ltd
- No Ordinary Hotels Ltd

The Group Governance Agreement requires CMH to produce an Annual Performance Report looking back at the operation of the Group to the year-end 31st March 2024.

A corresponding private report detailing confidential financial matters was also submitted for consideration (minute 11 below refers).

It was noted that the Scrutiny Co-ordination Committee had considered the report on 20 November and recommended that the Coventry Shareholder Committee agree the recommendations in the report.

RESOLVED that the Coventry Shareholder Committee, subject to the consideration of the additional confidential information contained in the corresponding private report, accept the performance assessment provided by Company Management in the Annual Performance Report for the CMH Group for the year ended 31st March 2024

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

There were no other items of public business.

9. **Coventry and Warwickshire Growth Hub Half-Year Report (Financial Year 2024/25)**

Further to Minute 5 above, the Committee considered a private report of the Director of Finance and Resources which set out the commercially confidential matters relating to the performance of the Coventry and Warwickshire Growth Hub for the first half of the 2024/25 financial year.

RESOLVED that the Coventry Shareholder Committee approve the Coventry and Warwickshire Growth Hub half-year performance report attached to Appendix 1 of the report for the financial year 2024/25.

10. **UKBIC 6-Month Performance report 2024/25**

Further to Minute 6 above, the Committee considered a private report of the Director of Finance and Resources, which set out the commercially confidential matters relating to the performance of UKBIC for the first half of the 2024/25 financial year.

RESOLVED that the Coventry Shareholder Committee approve the UKBIC 6-Month Performance Report 2024/25 included in Appendix 1 of the report.

11. **Coventry Municipal Holdings Limited Annual Performance Report year ended 31st March 2024**

Further to Minute 7 above, the Committee considered a private report of the Director of Finance and Resources which set out the commercially confidential matters relating to the performance of Coventry Municipal Holdings Ltd (CMH) for the year ended 31st March 2024.

RESOLVED that the Coventry Shareholder Committee accept the performance assessment provided by Company Management in the Annual Performance Report for the CMH Group for the year ended 31st March 2024.

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

There were no other items of private business.

(Meeting closed at 4.15 pm)

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.

Report author(s):
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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.

GROUP STRATEGIC REPORT
for the year ended 31 March 2023

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:

P Knudden

The notes form part of these financial statements

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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:

PK Mudhar

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	-

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.

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).

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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.

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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.

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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	-

continued...

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

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

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 £	2022 £	2023 £	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		Company	
	2023 £	2022 £	2023 £	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

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 2023 £	Group 2022 £	Company 2023 £	Company 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 £	Group 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

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

continued...

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

continued...

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.

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.

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

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

	Note	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...

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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

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.

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 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.

continued...

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

	2024	2023
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

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

continued...

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 £	2023 £
Finished goods and goods for resale	98,356	75,977
	98,356	75,977

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 £	2023 £	2024 £	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

continued...

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
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.

GROUP STRATEGIC REPORT
for the period 1 January 2022 to 31 March 2023

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.

REPORT OF THE DIRECTORS
for the period 1 January 2022 to 31 March 2023

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.

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.

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.

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

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

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

The notes form part of these financial statements

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

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

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

The notes form part of these financial statements

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

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.

continued...

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		
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		Company	
	2023	2021	2023	2021
	£	£	£	£
Finished goods	75,977	69,289	66,780	69,289

16. **TRADE AND OTHER RECEIVABLES**

	Group		Company	
	2023	2021	2023	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		Company	
	2023	2021	2023	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.

continued...

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

The notes form part of these financial statements

continued...

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)

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.

REPORT OF THE DIRECTORS
for the year ended 31 March 2024

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COOMBE ABBEY PARK LIMITED

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.Ris

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

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

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

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

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

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

continued...

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

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

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

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

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

COOMBE ABBEY PARK LIMITED (REGISTERED NUMBER: 02700383)

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.

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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.

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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.

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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.

continued...

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

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	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.

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%.

continued...

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.

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
5ACDB3E65A384F5..
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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COVENTRY TECHNICAL RESOURCES 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 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.

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

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 £	£	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
3EA11338042442E...
Mrs P Mudhar - Director

The notes form part of these financial statements

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

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

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.

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
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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.

A. 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: 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

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.

GROUP STRATEGIC REPORT
for the year ended 31 March 2024

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: ....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TOM WHITE WASTE LIMITED

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

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

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.

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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

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

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

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
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Eliminated on disposal	-	-	(247,131)
At 31 March 2024	1,081,070	416,121	4,762,945
NET BOOK VALUE			
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At 31 March 2023	5,811,646	2,559,123	3,149,284

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
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Disposals	-	(560,910)	(828,779)
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DEPRECIATION			
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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 2024 £	Group 2023 £	Company 2024 £	Company 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).

continued...

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.

continued...

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
Coventry Shareholder Committee

Coventry Shareholder Committee 26 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

Ward(s) affected: None

Title: Coventry and Warwickshire Growth Hub Business Plan (Financial Year 2025/26)

Is this a key decision?

No - although the proposals affect more than two electoral wards, the impact is not expected to be significant.

Executive summary:

The Coventry and Warwickshire Growth Hub (CWGH) has been established since 2014 and is firmly integrated as part of a successful Coventry and Warwickshire economic area – providing a 'one stop' centre for local businesses, with advice and guidance on the most appropriate support for their needs.

The Business Plan outlines the plan for the financial year 2025/26, detailing income and operating costs for the 'core' Growth Hub which demonstrates a balanced position. There are limited risks with the company balance sheet and CWGH has sufficient resources to meet liabilities as they fall due. The Council is not responsible for meeting liabilities in its role as shareholder as CWGH is a private limited company.

Primary objectives and priorities for the period of the Business Plan remain unchanged with the CWGH focussing on accessing and supporting sub-regional small and medium-sized enterprises (SMEs), plugging them in to relevant and available support partners and their programmes - such as those funded through the UK Shared Prosperity Fund.

Recommendations:

The Coventry Shareholder Committee is recommended to:

(1) Approve the Coventry and Warwickshire Growth Hub Business Plan and the CW Growth Hub Income and Expenditure Summary 2025-26; for the Financial Year 1stApril 2025 to 31st March 2026 - attached at Appendix 1 and Appendix 2 respectively

List of Appendices included:

The following appendices are attached to the report:

Appendix 1 - The Coventry and Warwickshire Growth Hub Business Plan (Financial Year 2025-26).

Appendix 2 – CW Growth Hub Income and Expenditure Summary 2025-26

Background papers:

None.

Other useful documents

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: Coventry and Warwickshire Growth Hub Business Plan (Financial Year 2025/26)

1. Context (or background)

1.1. Coventry and Warwickshire Growth Hub (CWGH) was established in 2014 using City Deal funding provided by Government. It was one of the first Growth Hubs to be established in England, before every Local Enterprise Partnership (LEP) area was subsequently given funding to establish a Growth Hub as a central coordination point for business support to try and simplify businesses' understanding of which business support products were appropriate to their individual needs. CWGH has been nationally recognised as a leading Growth Hub in the UK.

1.2. During the closure process of CWLEP in the financial year (FY) 22/23, the LEP Board, including the Local Authorities across the sub-region, determined that the Growth Hub and CW Champions should continue as a legacy of the LEP. The geography spans Coventry and Warwickshire Council's areas and welds the two together into one economic area.

1.3. As a result, the Shareholders of the Growth Hub are Coventry City Council (CCC) and Warwickshire County Council (WCC). It should be noted that as well as Growth Hub Limited which delivers the core Growth Hub service, the Growth Hub 'Group' includes subsidiaries CW Champions, and Growth Hub Business Solutions (including the Projects team) which both operate unfunded and commercially.

1.4. The Business Plan outlines the schedule for FY 2025/26.

2. Options considered and recommended proposal

2.1. **Option 1 – Do nothing (Not Recommended).** The Growth Hub is increasingly handling enquiries concerning economic challenges such as the cost-of-living crisis, energy price rises, volatile materials and component supply costs, recruitment and skills shortages etc. These challenges for businesses have broadened the range of barriers businesses are looking for support to overcome and has led to additional demand for sub-regional support programmes. As such, without the Growth Hub and activities within its Business Plan, the proactive reach to businesses and offering support would be reduced.

2.2. **Option 2 – Accept the Coventry and Warwickshire Growth Hub Business Plan**.

2.3. The CWGH Business Plan for the Financial Year 2025/26 is attached to appendix 1. The most important points of the CWGH Business Plan are summarised in the following sections:

2.3.1 The vision statement states that "the Growth Hub is a customer focussed organisation with an integrated business model, including its subsidiaries CW Champions and CW Business Solutions, embedded within the support ecosystem, and supported by both central and local government. We will continue to strive towards being sustainable, scalable, and best in class, ultimately driven and measured by the customer satisfaction of the business community".

2.3.2 CWGH has been nationally recognised as an exemplar Growth Hub in England, with a leading reputation and visibility among local businesses and the private sector generally; it is also the Cluster Lead for the West Midlands Growth Hubs.

2.3.3 Primary objectives and priorities for the period of the Business Plan remain unchanged, with the Coventry & Warwickshire Growth Hub focussing on accessing and supporting regional SME's, plugging them in to relevant and available support partners and their programmes.

2.3.4 The Business Plan details the income and operating costs for the 'core' Growth Hub, as it is this part of the Group that the Local Authority funding is used to deliver, alongside funding from Department of Business and Trade (DBT). Part of the surplus generated from the other Growth Hub Group business units (CW Champions, Business Solutions / Projects) will be used to mitigate unexpected shortfalls in future funding (e.g. if DBT withdraws funding for Growth Hubs) and increase the capacity of the core Growth Hub.

2.3.5 As part of the LEP closure process, the Board determined that the legacy reserves would be transferred to the Growth Hub, to enable longer term planning over a minimum three-year period. Part of the reserves are 'ring fenced' to cover full closure costs of the Group companies. These closure costs will be continually reviewed by the Board of the Growth Hub as part of the Governance arrangements.

2.3.6 As the Reserves are significantly more than the maximum closure costs then there is no liability for either Coventry City Council or Warwickshire County Council if any or all of the Growth Hub Group companies would need to close.

2.3.7 There has been a continued focus on supporting growth opportunities as well as a renewed focus on achieving stakeholder targets for high volume business support referrals into other schemes now that UK Shared Prosperity Fund (UKSPF) has been launched.

2.4. The preferred option is the approval of the Coventry and Warwickshire Growth Hub Business Plan for the Financial Year 2025-26.

3. Results of consultation undertaken

3.1. No consultation has been undertaken.

4. Timetable for implementing this decision

4.1. Upon acceptance of CWGH's Business Plan the CW Growth Hub Board will be notified immediately.

4.2. The activity of CWGH will be monitored regularly by the Local Authorities to make sure that the organisation is adhering to the Grant Aid Agreement.

4.3. In addition, representatives from Coventry City Council and Warwickshire County Council's Finance teams will meet with the Growth Hub's Company Secretary and Senior Management team to review the on-going financial performance.

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

5.1. Financial Implications

5.1.1. The 25/25 budget position presented at Appendix 2 presents a balanced position for the year. The company are in the process of producing a medium term 3-year budget which will be available for future shareholder committees.

5.1.2. CWGH's main assets are cash and trade debtors, and the main liabilities are trade creditors and deferred income which reflects that the primary activity of the company is providing advice to businesses. CWGH does not have any outstanding loans. There are limited risks with the company balance sheet and CWGH has sufficient resources to meet liabilities as they fall due. The Council is not responsible for meeting liabilities in its role as shareholder as CWGH is a private limited company.

5.2. Legal Implications

5.2.1. The Growth Hub has acted in accordance with the Shareholders Agreement and Articles of Association by submitting the Annual Business Plan 2025/26 and also in accordance with the Councils constitution.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

6.1.1. The continuation of Coventry & Warwickshire Growth Hub will play a vital role in delivering the One Coventry Plan's objective of "Increasing the Economic Prosperity of the City and Region". The development of this Plan has been subject to extensive consultation of both Council staff and external stakeholders, with some 485 people completing surveys and 433 individuals attending 23 workshops up to September 2022. This consultation process determined that a key objective needs to be the support of local businesses to innovate, grow and scale up, and create new jobs. The activity of CWGH will enable these objectives to be met by signposting businesses to the most suitable business support initiatives.

6.2. How is risk being managed?

6.2.1. A key operational risk during FY 23/24 and FY 24/25 has been that of cashflow, with delays in payment of grants from partners putting pressure on cashflow. Now that the Shareholder Agreement and Grant Aid Agreements are in place, this can be mitigated by advance planning of claims and payments, working closely with the respective Economic Development teams. In addition, regular financial and operational reports will ensure that the aims and objectives of CWGH will be adhered to.

6.2.2. A Health and Safety Policy is maintained as part of the Staff Handbook. In addition, Professional Indemnity insurance, as well as Public and Employers Liability Insurance, are in place to cover all staff activities.

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

6.3.1. To help manage Coventry City Council's (CCC) ownership of Growth Hub, the content of the Business Plan will be reviewed regularly; it is necessary for staff in the Economic Development Service and the Finance team to work together ensuring that that the organisation's financial position and terms of the Grant Aid Agreement are reviewed and adhered to. There is also an ongoing time commitment from CCC's Director of Regeneration and Economy to attend the Growth Hub Board meetings which take place twice a year.

6.4. **Equalities / EIA?**

6.4.1. No equalities impact assessment has been undertaken.

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

6.5.1. The CWGH will be proactively promoting the Decarbonization Net Zero programme and Business Energy Advisory Service to local businesses. This initiative will help reduce the carbon footprint generated by businesses, which will ultimately have a positive impact on climate change and the environment.

6.6. **Implications for partner organisations?**

6.6.1. The CWGH is an integral part of the Coventry and Warwickshire business support ecosystem. Working closely with Business Support teams within CCC and WCC; the Growth Hub provides a number of referrals to Partners such as the CW Chamber of Commerce, CW Reinvestment Trust, Federation of Small Businesses, Business Growth West Midlands and local Universities.

Report author(s):
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Service Area: Director of Regeneration and Economy

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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
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Finance: Mike Phillips	Lead Accountant (Business Partnering, Corporate Finance)	Finance	03/03/2025	06/03/2025
Legal: Gurbinder Singh Sangha	Corporate & Commercial Lead Lawyer	Legal	03/03/2025	05/03/2025
Names of approvers for submission: (officers and members)				
Finance: Phil Helm	Head of Finance	Finance	06/03/2025	07/03/2025
Legal: Oluremi Aremu	Head of Legal and Procurement Services	Legal	06/03/2025	10/03/2025
Director: Barry Hastie	Director of Finance and Resources	Director	11/03/2025	14/03/25

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

Appendix 1

Coventry & Warwickshire Growth Hub Business Plan (Financial Year 2025-26)

For Coventry City Council Shareholder Committee meeting 26th March 2025

Prepared by
Phil Peak, Deputy CEO
Adam Norburn, Company Secretary

Contents

1. Executive Summary

The Coventry and Warwickshire Growth Hub (CWGH) has been established since 2014 and is firmly integrated as part of a successful Coventry and Warwickshire economic area – providing a ‘one stop’ centre for local businesses, with advice and guidance on the most appropriate support for their needs.

The Business Plan outlines the plan for the Financial Year 2025/26, detailing income and operating costs for the ‘core’ Growth Hub; whilst making reference to the Financial Years 2023-25, as part of a three-year business plan. The Council had agreed to make an annual revenue contribution of £130k to CWGH in each of the three years, subject to sufficient funds being made available through existing / future funding streams such as UK Shared Prosperity Fund (UKSPF). For FY 25/26 this has been reduced to £70k due to budgetary cuts.

There are limited risks with the company balance sheet and CWGH has sufficient resources to meet liabilities as they fall due. The Council is not responsible for meeting liabilities in its role as shareholder as CWGH is a private limited company.

Primary objectives and priorities for the period of the Business Plan remain unchanged with the CWGH focussing on accessing and supporting sub-regional small and medium-sized enterprises (SMEs), plugging them in to relevant and available support partners and their programmes - such as those funded through the UK Shared Prosperity Fund.

After 10 months of FY 24/25 (end of January 2025), CWGH has exceeded the overall Key Performance Indicators target set within the Grant Agreement (Section 3a), and this trend is expected to continue for the remainder of the FY.

Financial performance is broadly on plan against the budget set within the Business Plan.

FY 25/26 marks the final year of the 3-year Business Plan 2023-26. It was agreed at the last Growth Hub Board meeting in December 2024 that FY 25/26 would also become the first year of a strategic 3-year rolling plan. The Board will be holding a Strategy Day on 16th April 2025 and it will be an important output of that day to identify what the key priorities for the Growth Hub should be over the next 12 months and beyond to be included in future updates of the Business Plan.

2. Overview of Year To Date

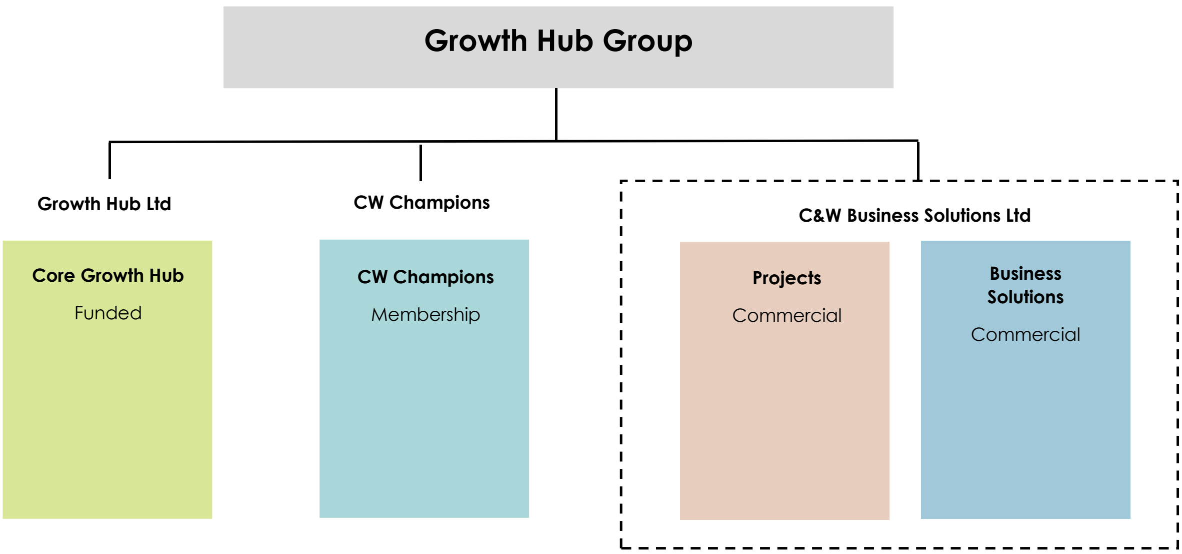
Processes and procedures working with the new Shareholders Coventry City Council and Warwickshire County Council have been fully in place from the start of FY 24/25.

The Coventry & Warwickshire Growth Hub continues to perform well against SLA targets for FY 24/25 agreed with Coventry City Council (and also separately with Warwickshire County Council and District and Borough Authorities), having already exceeded the overall annual targets. Case studies can be viewed on our website here: https://www.cwgrowthhub.co.uk/case-studies

Primary objectives and priorities for FY 24/25 and FY 25/26 remain unchanged with the Growth Hub focussing on supporting sub-regional SMEs, referring them into relevant and available support partners and their programmes, including UKSPF programmes.

The majority of enquiries centre around economic challenges such as the cost-of-living crisis, energy price rises, volatile materials and component supply costs (now compounded by tariff concerns), employment costs, recruitment and skills shortages along with issues caused by global conflicts such as the wars in Ukraine and the Middle East, which have all broadened the range of barriers businesses are looking for support to overcome. This has led to additional demand for regional support programmes.

The reporting of detailed 'real time' on the ground intelligence continues to be fed back directly to central Government through monthly DBT "headline & trends" submissions and Smart Region reports.
As indicated, CWGH is continuing under a new structure with Coventry City Council and Warwickshire County Council, as shareholders of the Growth Hub. At the same time, the Growth Hub has two subsidiaries; CW Champions which operated under CWLEP previously, and C&W Business Solutions Ltd which delivers all project and commercial activities operating as the commercial arm – see below.



These operations are fully separate both financially and operationally.

The Growth Hub has in place a three-year Business Plan with the shareholders, with plans to extend, to assist the development of a robust and proactive plan.

3. Operational Performance FY 24/25

- 3 a) Objectives and Key Performance Indicators

A set of targets have been agreed between CCC and CWGH for referrals against each of the CCC delivery programmes. Achieving these targets is the primary objective of CWGH in the Coventry district.
The table below summarises referrals made to the end of January 2025 (10 months). As can be seen overall 461 referrals out of a target of 325 have been made (142%), so the target has already been exceeded well before the end of the FY. All programmes bar two (Business Sustain, Decarb & Net Zero) have exceeded their individual targets.

CCC FY 24-25 YTD (end January 2025)	Coventry Referrals			%
Programme	2024-2025 FY	2024-2025 YTD	Remaining	YTD
Employer Hub & Skills	35	64	-29	183%
Invest in CW/Invest Coventry	15	38	-23	253%
Decarbonisation and Net Zero ProgrammeAudits, Energy Efficiency Grants & BEAS	85	57	28	67%
SME Business Support Team - (incl Capital Grants & Accelerated/High Growth Support)	80	155	-75	194%
CWRT - DUPLEX	20	25	-5	125%
Coventry Start Up Support - via CWCoC	70	98	-28	140%
Coventry Social Enterprise Support - via CWCDA	10	20	-10	200%
Business Sustain	10	4	6	40%
Total	325	461	-136	142%

- 3 b) Financial Performance

The 3-year Business Plan approved on 23rd April 2024 included an assessment of the Growth Hub's estimated financial performance through to the end of the 25/26 FY.
The Growth Hub conducts regular quarterly meetings with Finance staff from Coventry City Council and Warwickshire County Council to keep them appraised of the current and projected financial position of the Growth Hub and its subsidiaries. The last meeting took place on 28th January 2025 to consider the position of the current 24/25 FY and the latest budget estimates for 25/26.
The Growth Hub made a deficit of £50,667 to the end of Q3 2024/25. This included the budgeted use of £27,750 of reserves for the first 9 months of the financial year and an additional £4,200 to cover a redundancy. In addition to the previously reported £20k shortfall in income from Warwick DC, there has not been and is unlikely to be any staff turnover in the second half of the financial year, which means that staff costs are running higher than budget by around £28k and there are a number of one-off cost items which total around £20k. It is now expected that the deficit for the financial year will be around the £68k mark.
Business Solutions is expected to make a deficit of around £35k in the current financial year primarily due to a £37k loss of the Employment Solutions service. This service was closed down at the end of November and the member of staff made redundant.
CW Champions is expected to break even.

4. FY 25/26 Business Plan

Financial forecast for FY 25/26

A change of budgeting approach is being adopted for 25/26 onwards and this is reflected in the 25/26 budgets for all three companies. Management and office costs have historically been borne by the Growth Hub and recharged to Business Solutions and Champions on an appropriate basis. This has had the effect of inflating both the income and expenditure of the Growth Hub – overstating the cost of running the Growth Hub operation. From 25/26 onwards, the budgets for each company will contain their relevant proportion of management and office costs, so there will be no need for recharges. This will better reflect the true cost of running each company and their activities.

This approach has reduced the operating budget for the Growth Hub from £923k in FY 24/25 to £646k in FY 25/26.

For 25/26 budgets, relatively conservative figures have been used. Staffing budgets have been included at 100% with no savings assumed for potential staff turnover. Some mitigations had already been found to close much of the previously reported budget gap following reductions in some sources of funding and unavoidable inflationary cost increases. Further mitigating actions relating to office costs were discussed at the last Growth Hub Board meeting in early December and have been subsequently approved and a pay award of 2% has already been approved with effect from 1st April 2025. Latest figures show that the Growth Hub is expected to break even in 2025/26 once these actions are taken.

The estimated reserves position at the end of the current financial year is around the £700k mark with potential closure costs of just over £210k as at 31st March 2025, so these costs are well-covered by reserves.

Activities and Priorities for FY 25/26

CWGH has been working closely with the Economic Development Team at CCC on activities including events, proactive marketing campaigns etc, to ensure flow of client engagements. This will continue throughout the remainder of the FY, priority will be given to those programmes still requiring referrals to achieve target. This approach will continue into FY 25/26.

From a financial perspective, there is continual management of the fiscal position to manage finances as closely as possible to the forecast budget - this is reported via the Quarterly Finance meetings. As stated in Section 3b) above, mitigating actions have been taken to ensure that the Growth Hub budget position will be as close as possible to break even for FY 25/26. These actions will have been reported to and determined by the Growth Hub Board at its meeting on 28th February 2025.

The current 3 year Business Plan, which covers the period April 2023 to March 2026, has stated key priorities for the remainder of FY 24/25, for FY 25/26, and looking ahead for the following financial years:

- Maintain a healthy pipeline of awareness and engagement with Coventry and Warwickshire businesses, referring into support programmes.
  As well as supporting and communicating with the current database, the Growth Hub continues to engage with businesses never previously engaged with the business support ecosystem in Coventry & Warwickshire. In FY 23/24 882 new businesses were engaged, and to date in FY 24/25 a further 893. Similar levels of engagement are planned for FY 25/26
- Ensure agreed KPIs are achieved for the Grant Agreements with CCC and WCC.

The Growth Hub continues to perform well against overall SLA targets for FY 24/25 agreed with CCC and WCC (and also separately with District and Borough Authorities) albeit with some local variations. These are reviewed on a regular basis with the respective Economic Development teams. Targets for FY 25/26 are to be agreed shortly.

- For the Warwickshire area report on referrals at District & Borough level, and monitor against targets agreed between WCC and the District & Borough Councils.

- Deliver a cohesive Marketing, PR and Communications strategy to focus on engaging businesses not currently engaged with the ecosystem, and promote the range of business support programmes delivered by the stakeholders. A Marketing Plan has been shared with the Growth Hub Board, with cost expectations broadly in line with the budget agreed. Further discussions are ongoing with the respective marketing teams to 'fine tune' and complement other marketing activities.

- Align the priorities of the Growth Hub in line with the Coventry & Warwickshire Strategic Economic Plan (CWSEP) when published.

- Use robust data to inform programmes and segment the customer journey. Detailed data about the businesses the Growth Hub engages, as well as the referrals made to address their challenges, are captured on the Growth Hub CRM. This enables regular reporting e.g. via the Smart Region report, and monthly updates to DBT, on the current issues affecting businesses along their journey.
- Collaborate with stakeholders and partners to amplify and simplify access to opportunities across Coventry and Warwickshire.
  The core 'DNA' of the Growth Hub has always been to collaborate with stakeholders and partners, and this is continuing to be built upon. The work of CW Champions and Business Solutions complements and adds to these relationships, to amplify access to opportunity.

- To ensure our businesses are equipped with the right skills for the future in partnership with the WCC Skills Hub and CCC Employer Hub.
  Regular meetings occur with both the WCC Skills Hub and CCC Employer Hub to review the skills challenges facing businesses, and ensuring the right support is leveraged from the Skills Hub and Employer Hub.
- Work closely with our Universities and Catapults to amplify their offer to the business community. The Growth Hub Account Management team meet regularly with the teams from both Coventry and Warwick Universities, as well as the Catapult teams at WMG and MTC, to be cognisant of the latest offers, and identify suitable clients. These relationships have been utilised extensively through the Made Smarter West Midlands project.

- Manage finances to operate within budgetary constraints. Quarterly finance meetings take place with CCC & WCC finance teams to monitor financial performance versus the planned budget. Detailed financial reports and forecasts are provided for the Growth Hub, as well as Business Solutions and CW Champions.

- The Midlands has four out of the bottom five areas for scaling companies, with Coventry and Warwickshire currently second from bottom. We will recognise the specific needs of scaling companies through our work with the Scale up Institute and target the scaling pipeline to increase our growth density. Whilst we are limited on resources to work solely on scaling companies, we have been contracted by two of the District Authorities to identify Scaleups and potential Scaleups and review their needs over and above the wider support available. The challenge has been reinforced by the latest SUI report, with both the West Midlands CA (including Coventry) and Warwickshire areas towards the bottom of the table of new scaleups per business capita.

- Complete the transitions in operation by the start of FY 24/25, from the closure of CWLEP at the start of FY 23/24. In particular transfer staff who are not working on core Growth Hub activities, from the Growth Hub into CW Business Solutions. This will ensure complete clarity and transparency on the separation of public sector funding for the Growth Hub, and project and commercial activities delivered through CW Business Solutions.
  This was completed by 1st April 2024, with all staff now employed in the appropriate business. Quarterly finance meetings take place with CCC & WCC finance teams to monitor financial performance versus the planned budget. Detailed financial reports and forecasts are provided for the Growth Hub, as well as Business Solutions and CW Champions. The most recent meeting was on 29th January 2025.

5. Business Planning for FY 26/27 and beyond

FY 25/26 marks the final year of the 3-year Business Plan 2023-26. It was agreed at the last Board meeting in December 2024 that FY 25/26 would also become the first year of a strategic 3-year rolling plan. The plan currently contains 12 priorities (see above), which by their very number cannot all be key priorities. The Board will be holding a Strategy Day on 16th April 2025, and it will an important output of that day to identify what the key priorities for the Growth Hub should be over the next 12 months and beyond to be included in future updates of the Business Plan. This will enable the Board to receive reports and track progress on a reduced priority list. There will undoubtedly be activities that will be important all the time and will need to be included every year, but there will also be other priorities, which may relate to time-limited opportunities, which will need to be allocated to specific financial years.

Budgets for FY 26/27 and beyond have not been prepared at this stage as it would seem more appropriate to wait for the April Strategy Day, which will help shape our future direction. The output from the Strategy Day will enable us to prepare budgets for future years in accordance with the direction and priorities chosen. There should also be much greater clarity by then about ongoing and potential future project work for C&W Business Solutions, which will have a significant impact on overall finances. The plan would then be to bring draft 3-year budgets for FY 26/27 and beyond for all three companies to the next Growth Hub Board meeting on 11th June 2025. This will also enable future shareholder committees to be presented with a 3-year budget planning position.

6. Risks & mitigation

A key operational risk during FY 22/23 and FY 23/24, continuing into FY 24/25, has been that of cashflow, with delays in payment of grants from DBT and partners putting pressure on cashflow. Now that the Shareholder Agreement and Grant Aid Agreements are in place, this has been mostly mitigated by advance planning of claims and payments, working closely with the respective Economic Development teams. In addition, regular financial and operational reports will ensure that the aims and objectives of the Growth Hub are being adhered to.

A Health and Safety Policy is maintained as part of the Staff Handbook. In addition, Professional Indemnity insurance, as well as Public and Employers Liability Insurance, are in place to cover all staff activities.

As part of the CWLEP closure process, the Board determined that the legacy reserves, currently circa £750,000, would be transferred to the Growth Hub, to enable longer term planning over a minimum three-year period. Part of the reserves are ‘ring fenced’ to cover full closure costs of the Group companies. These closure costs are continually reviewed by the Board of the Growth Hub as part of the Governance arrangements.

As the Reserves are significantly more than the maximum closure costs (currently sized at £210k) then there is no liability for either Coventry City Council or Warwickshire County Council if any or all of the Growth Hub Group companies would need to close.

Appendix 2

Growth Hub 3-Year Income and Expenditure Summary 2025-26

		2025/26
		£
Income		
Warwickshire CC funding		70,000
Coventry CC funding		70,000
Borough & District Councils funding		100,000
Dept. of B &T funding		336,000
Use of CWLEP reserves		40,000
Commercial income		
	CW Business Solutions Management contribution	0
	CW Business Solutions (charge based on 15% FRIC)	0
	CW Champions Management contribution	0
	CW Champions (charge based on 15% FRIC)	0
	Recharge to CWRT for use of office space	0
	Other commercial contributions	15,000
Interest on investments		15,000
		646,000
Expenditure		
Management and Core Staff		491,190
Legacy CWLEP costs		0
Reversal of accruals from 22/23 into 23/24		0
Office costs		34,541
IT & Software costs		28,189
Professional fees		13,600
Operating expenses		12,480
Marketing		26,000
Miscellaneous		0
Scaleup activity for Districts and Boroughs		40,000
		646,000
Forecast Surplus/Deficit (-)		**0**

Coventry City Council

Public report
Coventry Shareholder Committee

Coventry Shareholder Committee 26 March 2025

Name of Cabinet member:
Cabinet Member for Jobs and Regeneration and Climate Change – Councillor J O'Boyle

Director approving submission of the report:
Director of Regeneration and Economy
Director of Innovation

Ward(s) affected:
None

Title:
Strategic Energy Partnership Annual Business Plan for 2025/26

Is this a key decision?
No

Executive summary:

The information in this report is being brought to the Coventry Shareholder Committee to enable the Council's interest in the Strategic Energy Partnership to be monitored as per the agreed governance process. This report provides the Annual Business Plan for 2025/26 to be approved by the Shareholder Committee.

The fifteen-year Strategic Energy Partnership (SEP) between the Council and E.ON is the first of its kind in the UK and has the potential to put Coventry at the forefront of the net zero transition. The Council's relationship with E.ON will help support the development of ground-breaking projects, with potential funding from E.ON as well as other sources.

A key piece of work shared in the November 2024 update, was the development of the Coventry Energy Plan. The plan provides a strategic long-term energy vision for the city, giving us a detailed understanding of the energy challenges and opportunities looking to the next 15 years and beyond. The Coventry Energy Plan is being used to shape and prioritise the most impactful projects taken forward by the SEP in the years ahead, including in the 2025/26 Annual Business Plan.

Key outputs outlined in the Annual Business Plan that the SEP intends to deliver in 2025/26 include a public sector building decarbonisation programme, starting with schools (60+ schools, delivered over a number of years); further development, subject to successful planning permission, of a solar farm; exploration of a project to explore supply and demand of low cost, affordable heat at scale, recognising the opportunities presented by heat network expansion, heat zoning and energy storage and fleet decarbonisation in the City.

A pipeline of innovation programmes has been developed, and innovation projects are underway which support the most vulnerable. This includes a pilot battery storage and time of use tariff which supports customer to reduce their bills (9 installed and further 25 in pipeline) and a drone energy efficiency survey pilot to help identify residents eligible for grant funding to improve energy efficiency.

Around £1.3m has been committed in social value delivery including engagement with school children in 18 schools, care leavers work placements and a community growing project in Hillfields, Willenhall and Stoke. All of which provides a strong foundation to leverage this initial activity into future projects, including those of a larger scale which deliver tangible impacts for Coventry.

Annual investment in the SEP is expected to grow from £1.9m (from inception in September 2023 to March 2025), to £12.6m in 2025-26. The greenhouse gas emissions avoided by SEP activities are forecast to reach over 4,000 tonnes CO_2e a year from 2027/28 and continue to grow from there. That's the equivalent of 100,000 return trips from Coventry to London in an average car or planting 160,000 trees.

Recommendations:

The Coventry Shareholder Committee is recommended to consider and approve the Annual Business Plan 2025/26, including the receipt of development expenditure from E.ON set out in paragraph 5.1 of the report, as per the agreed governance process which is set out in the Strategic Energy Partnership Joint Venture Contract.

List of Appendices included:

The following appendices are attached to the report:
Appendix 1: Summary of Annual Business Plan for 2025/26
Appendix 2: Strategic Energy Partnership Annual Business Plan 2025/26

Background papers:

None

Other useful documents

Coventry Strategic Energy Partnership – Cabinet Report, August 2023
Coventry Strategic Energy Partnership – Shareholder Committee Report, April 2024
Coventry Strategic Energy Partnership – Shareholder Committee Report, November 2024
Strategic Energy Partnership Performance Update – November 2024 - Appendix
Strategic Energy Partnership Business Plan summary 2024

One Coventry Plan 2022-2030
Climate Change Strategy 2024-2030
Coventry Net Zero Carbon Route Map 2023
Economic Development Strategy

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

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Report title: Strategic Energy Partnership Annual Business Plan for 2025/26

1. Context (or background)

1.1. The Council's Strategic Energy Partnership (SEP) with E.ON is the first of its kind in the UK, providing an innovative way for the public and private sectors to work collaboratively to put Coventry at the forefront the net zero transition. Since its inception in September 2023, the SEP has been working hard to develop the Coventry Energy Plan, which E.ON has funded to provide detailed insight into the city's energy challenges and opportunities to help focus SEP activity going forwards. This has been developed alongside the SEP creating a pipeline of projects and starting to deliver projects on the ground. This report provides an update on planned activity.

1.2. The appendix to this report provides a summary of the Annual Business Plan 2025/26 including inputs from the Coventry Energy Plan, a summary of annual investment, SEP strategic goals for 2025/26, key projects, links to wider Council programmes and next steps.

1.3. The Coventry Energy Plan was a key component of identifying and prioritising the right opportunities for SEP to make a large and lasting impact on our city. This prioritisation has led to seven workstreams identified for 2025-26. They are renewable generation, heat networks; small/medium enterprises and public sector buildings; transportation; residential; innovation and community benefit. The plan suggests that under a high ambition scenario we can achieve 74% reduction in carbon emissions against a 1990 baseline and create up to 2000 jobs per year to 2038. This would require significant investment and activity beyond the SEP; however, the role of the SEP is instrumental to create an enabling environment to support citywide transformation.

1.4. Annual investment through the SEP is projected to increase from £1.9m (in the period Sept 23 to March 25) up to £16m in 2026/27, which reflects additional capacity within the SEP team, increased development costs and more projects being delivered on the ground.

1.5. The SEPs key strategic goals in 2025/26 include:

- Development and execution of the delivery programmes resulting from the Coventry Energy Plan.
- Assessment, development and implementation of a public sector building decarbonisation programme, starting with schools.
- Further development, subject to successful planning permission, of a solar farm.
- Initial exploration and subsequent development, subject to feasibility study completion, of a project to explore supply and demand of low cost, affordable heat at scale, recognising the opportunities presented by heat network expansion, heat zoning, energy storage and fleet decarbonisation.

- Development and implementation of a pipeline of innovation projects exploring new technologies and proof of concepts. Trials will include product development and piloting of residential and micro business solutions and propositions.
- Data, digital and connectivity will be a key enabler and theme across energy propositions.

Alongside this will be further development of community benefit programmes such as care leaver work placements, schools education programmes and food growing projects.

1.6. Delivery through the SEP supports several wider Council initiatives and the One Coventry Plan including the Climate Change Strategy, the Electric City campaign, developing the city's first Net Zero neighbourhood in Hillfields and provides the opportunity to pilot new technologies to support our ambitions as a 'living lab'.

2. Options considered and recommended proposal

2.1. **Option 1 – Not recommended – Do nothing** – The Strategic Energy Partnership's agreed governance process and contractual commitments require the Annual Business Plan 2025/26 to be approved by Coventry Shareholder Committee and this report meets this requirement.

This is not the recommended option.

2.2. **Option 2 – Recommend – Approve the Annual Business Plan 2025/26,** as per the Strategic Energy Partnership's agreed governance process and contractual commitments and as approved by the SEP Contractual Joint Venture Board as per governance. Approving the Annual Business Plan 2025/26 will facilitate the Strategic Energy Partnership to progress with planned activities.

3. Results of consultation undertaken

3.1. No consultation has been undertaken.

4. Timetable for implementing this decision

4.1. Upon approval of this report, the Strategic Energy Partnership will be satisfied that the Council, through an agreed governance process, has approved the Annual Business Plan 2024/25 and can proceed with activity as set out within it.

4.2. Further performance updates on implementation of the Annual Business Plan 2025/26 will be provided at subsequent Coventry Shareholder Committee meetings.

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

5.1. **Financial Implications**

Both SEP partners are contributing resource to the partnership. This includes a significant team from E.ON (13FTE. c£2.3m 25/26), above and beyond that to which E.ON committed in its bid, comprising a dedicated full time team plus experts from across E.ON who are brought in for specific projects and initiatives. The Council has a minimum annual commitment of 2.5FTEs who form the Council's SEP project team. This Council commitment equates to c£0.2m in salary costs in 25/26 and was identified from existing resources at the outset of the partnership. A further dedicated resource has been secured using grant funding (further detail in 6.3). Additional support is provided by Council officers in substantive posts as required.

To support project development outlined in the Annual Business Plan, Council resource requirements, additional to the above, have been identified to provide project development support to specific projects. This is in line with the partnership agreement and subject to the Strategic Energy Partnership CJV board approval through the agreed governance process. The estimated Council Development Expenditure for projects in the year 2025/26 is £0.4m. These Council Development Expenditure costs will be covered by E.ON if approved as part of the Project Proposal through the agreed governance process. When/if a project reaches commercial close, any Development Cost covered by E.ON will be built into the Business Case for the project. Note that no additional Council costs will be incurred unless funding is confirmed by the CJV board.

If any SEP projects are identified as potential investment opportunities for the Council, these opportunities will be taken to Cabinet or Full Council as appropriate on a case-by-case basis, where such decision is required under the Council's Constitution. There will be no financial obligation on the Council to invest or provide project funding as part of this report.

Where Council funding or Grant funding has been required for projects that are already in progress, this has been subject to further governance as required by the Council's Constitution on a case-by-case basis.

5.2. **Legal Implications**

The Strategic Energy Partnership is operating under the Joint Venture Agreement which was entered into with EON UK PLC. The governance of this was set out in the approvals which came to Cabinet and Full Council on 29th August 2023 and 5th September 2023 respectively.

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 Strategic Energy Partnership can contribute to all three core aims of the One Coventry Plan:

- The core focus is achieving net zero which contributes directly to tackling the causes and consequences of climate change;
- The required infrastructure development to achieve the above and related jobs and supply chain implications will support economic growth, as will related support to local businesses to achieve their own carbon reduction objectives, and help to create a circular economy; and
- Social value is a key driver for the partnership and all projects will have a strong focus on improving outcomes and tackling inequalities within our communities.

In addition to the above, the partnership will help support the enabling outcomes of the One Coventry Plan. The economic returns from some projects and bolstering of resource through the partnership will directly support the financial sustainability of the Council. The Partnership is a direct demonstration of the Council as a partner, leader and enabler and will likely lead to further partnering opportunities.

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

The Strategic Energy Partnership contractual joint venture agreement governs development of projects from concept up to start of implementation. The primary risk is the abortion of projects at any stage in their development due to project acceptance criteria not being met. This is governed and mitigated by a clear gateway process which must demonstrate value for money alongside other key criteria including social value. This is a risk to the Council as well as E.ON, noting E.ON will bear greater development risk given the resource, expertise and investment it is bringing to the partnership.

The project risks (such as technical risk, planning, construction, etc) will be project specific, and will be defined, and managed through the gateway process, such that any investment decision and final business case contemplates such risks and puts in adequate measures to mitigate and/or compensate for the same. Future governance over the specific projects will contemplate and manage such risks through appropriate mitigations.

Any capital investment decisions which follow the ordinary course of governance in line with Council’s Constitution will go to Cabinet and Council should any investment be required on a specific project.

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

As part of the Council’s contractual obligations to the Strategic Energy Partnership, 2.5 full time equivalent (FTE) officers support delivery (1 Project Manager, 1 Project Officer and 0.5 Finance). New roles have been created and internal employees were appointed through a recruitment process with no backfill to the employees’ previous roles. An additional dedicated resource of 1 FTE is also now supporting the partnership, funded by grant. In addition, project development requires engagement from a cross-section of employees so further upskilling opportunities exist whilst working with E.ON.

6.4. **Equalities / EIA?**

An Equalities Impact Assessment (EIA) was completed during the procurement process to recognise any specific social value aspects which might be achieved through the partnership. Positive outcomes can be achieved for a wide range of Coventry citizens though the partnership:

- Projects which seek to improve domestic energy efficiency will reduce fuel poverty in the city;
- Increased use of renewable energy sources has the potential to lower fuel costs including for the Council which improves financial sustainability for other service areas. For citizens and businesses this improves home and business finances; and
- Transport related projects will have benefits for air quality and wider health impacts through more active lifestyles.

The SEP Social Value Strategy and prioritisation approach takes into consideration social value delivery and the impact on Equalities/EIA for the partnership.

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

The key driver for the partnership is supporting the Council to achieve net zero ambitions and tackle the causes and consequences of climate change, as set out in the Council's Climate Change Strategy. The Partnership will enable the Council to develop long-term holistic energy solutions that not only meet these aims but also deliver related outcomes such as improved health outcomes for citizens and increased biodiversity.

6.6. **Implications for partner organisations?**

The partnership is not just focussed on decarbonising the Council's estate; this is about decarbonising the city. This requires the Council and the Strategic Energy Partner to work with a range of organisations across Coventry to widen the benefits of the approach, or specific projects, to other partner organisations, businesses and communities.

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Andy Williams	Director of Regeneration and Economy	-	10/02/25	24/02/25
Councillor J O'Boyle	Cabinet Member for Jobs, Regeneration and Climate Change	-	24/02/25	28/02/25

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

Appendix 1 Summary of Annual Business Plan for 2025/26

1. Background to Annual Business Plan

1.1. The Strategic Energy Partnership (SEP) Annual Business Plan sets out the details of programme activities and financial information, to deliver under the strategic themes and vision as set out in the Strategic Business Plan. The first Annual Business plan, for 2024/25, was delivered and approved at Shareholder Committee on 23rd April 2024, with an update provided on progress at Shareholder committee on 24th November 2024.

1.2. This report presents the new Annual Business plan for 2025/26.

1.3. A key piece of work shared in the November 2024 update, was the development of the Coventry Energy Plan. The plan provides a strategic long-term energy vision for the city, giving us a detailed understanding of the energy challenges and opportunities looking to the next 15 years and beyond which is being used to shape projects being taken forward by the SEP.

1.4. The greenhouse gas emissions avoided by SEP activities are forecast to reach over 4,000 tonnes CO2e a year from 2027/28 and continue to grow from there. That's the equivalent of 100,000 return trips from Coventry to London in an average car or planting 160,000 trees.

2. Summary of Annual Business Plan 2025/26

2.1. The first 18 months of the SEP has seen a huge amount of activity, which lays the foundation for significant impact in future years. As noted in the November 2024 Shareholder update, there was recognition at Strategic Energy Partnership (SEP) Contractual Joint Venture board that, whilst progress has been very positive, there was a need to identify and start delivery of more strategic and holistic opportunities to get the most value from the partnership. The focus of the year ahead is to really start to build momentum and scale to benefit more residents and businesses across Coventry. Activity will be driven through the outputs of the Coventry Energy Plan – which provides an evidence base for the SEP to prioritise the most impactful projects in the years ahead.

2.2. **Coventry Energy Plan**

The Coventry Energy Plan was developed by the SEP in 2024 to provide an evidence base in order to for the SEP to identify and prioritise the most impactful projects in the years ahead. The Coventry Energy Plan is an appropriate next step from the Coventry Net Zero routemap and followed a recognized Local Area Energy Planning (LAEP) approach. This prioritisation has led to seven workstreams identified for 2025-26. They are:

- Renewable generation
- Heat networks

- Small/medium enterprises and public sector buildings
- Transportation
- Residential
- Innovation
- Community benefit

The Coventry Energy Plan suggests that under a high ambition scenario the following can be achieved:

- Up to 65% reduction in carbon emissions from 2021 baseline and a 74% reduction against a 1990 baseline – which will significantly boost Coventry's efforts to transition towards net zero by 2050 as set out in our Climate Change Strategy
- Increase to 17% energy security (% of Coventry's 2022 electricity demand covered by generation)
- Create an equivalent of 2,000 FTE job impact (per year over the course of the SEP period)

The investment to achieve this would be c.£10billion to 2038. Not all this investment will be through SEP, but the SEP is uniquely positioned, by the nature of its public-private structure and operational expertise, to provide solutions and delivery mechanisms that would otherwise not be possible. The SEP can also support to create an enabling environment which maximizes opportunities for others to engage and invest.

2.3. Annual investment

Annual investment in the SEP, outlined in this ABP, is expected to grow from £1.9m (from inception in September 2023 to March 2025), to £12.6m in 2025-26, and £16.0m in 2026-27. As new projects/programmes are identified and incorporated in future ABPs, these figures are expected to increase. This is all project investment including private finance and grants.

In addition, partnership spend on the core SEP team will be £2.5m in 25/26 (£2.3m E.ON and £0.2m Council).

The Council is under no financial obligation to invest or provide project funding. Any potential investment opportunities would require a business case and be approved case by case as required under the Council's constitution.

2.4. Performance targets

Performance targets are based on knowledge and assumptions of projects known to the partnership to date and give an indication of our ambition over the next three years. This pipeline will continue to grow but only projects currently captured in the

ABP are reflected in these figures. As a result, the apparent reduction in outcomes shown in 2027/28, will increase as new projects are added.

Anticipated strategic outcomes in 2025/26 and forecast:

	2025/26	2026/27	2027/28
Solar PV generation capacity kWp	850	22,200	1,200
Heat pump installation capacity kW	800	-	-
CO2 avoided tCO2e	150	720	4,300

2.5. **SEP 2025-26 Strategic Goals**

In 2025/6 the key outputs the SEP intends to deliver are:

- Development and execution of the delivery programmes resulting from the Coventry Energy Plan.
- Assessment, development and implementation of a public sector building decarbonisation programme, starting with schools (60+ schools, delivered over a number of years).
- Further development, subject to successful planning permission, of the city's first solar farm.
- Initial exploration and subsequent development, subject to feasibility study completion, of a major project to explore a holistic solution to the local, renewable electricity generation and resilience, heat generation and distribution, energy storage and fleet decarbonisation requirements of the city.
- Development and implementation of a pipeline of innovation projects exploring new technologies and proof of concepts. Trials will include product development and piloting of residential and micro business solutions and propositions.
- Data, digital and connectivity will be a key enabler and theme across energy propositions (examples might include exploration of digital twins, smart sensors and AI solutions).

3. Key projects presented in the Annual Business Plan 2025/26

3.1. The Annual Business Plan 2025/26 outlines the initial phase of priorities using the evidence base provided by the Coventry Energy Plan. Whilst it is an annual business plan, it provides a line of sight towards future years of delivery.

3.2. Key projects for 2025-26 which will support SEP outcomes are set out below. Some will conclude and have impact within the year, and some will start their multi-year journey towards delivery.

- **Low carbon, clean energy, large scale solutions** – a long-term project to create low carbon, low-cost heat and energy generation in Coventry to benefit large parts of the city and look to create value in both waste and transport service areas for city operations.

- **Solar farm** – progressing discussions on site viability and designs for planning.
- **Public sector building decarbonisation** – developing a programme to decarbonise all public sector buildings, starting with larger scale pilot in schools with ambitions to create a model to support decarbonisation across 60+ schools in Coventry (smaller scale pilot delivered in year 1)
- **Minimum energy efficiency standards** – developing a programme to decarbonise buildings that Coventry City Council are landlord for with commercial tenants.
- **Residential decarbonisation programmes** – including pilot residential offerings and innovation, grant funded programmes to support with home energy efficiency, supporting development of a Net Zero Neighbourhood pilot and developing partnerships with social housing providers.

Innovation

- The SEP activity will be supported by innovation activities and pilots, including further development of an innovation and proposition and pipeline, including:
    - **Kestrix pilot** – using drones and AI to rapidly assess residential buildings' energy efficiency and identify the best interventions to improve them, speeding up deployment of retrofit funding (commenced in 2024/25, with project outputs to continue into 2025/26)
    - **Zero emissions boilers pilot** – testing electric boilers in social housing that would be hard to retrofit in other ways, reducing bills and making homes warmer for residents most in need
    - **Mini heat network pilot** – developing small scale heat networks at a street level, reducing bills and making homes warmer for residents
- Supporting Coventry's ambitions to innovate and act as a 'living lab' for new technology and associated benefits such as job creation.

Community Benefits

- The SEP will continue its **community benefits programme** to foster meaningful relationships with local community groups, organisations and participate in environmental, economic and social initiatives in Coventry. This includes a Community Benefits fund and social value delivered through technical projects, for example:

  - **Care leavers work placements** – short placements for up to 20 Care leavers and ongoing mentoring after the placements, to support their transition into work
  - **Tree planting** – creating a new 8000 tree woodland, working with partners 'Treekly' using a walking app with trees planted according to step counts of Coventry residents – health and nature benefits
  - **Coventry Grows** – Community growing initiative in Hillfields, Willenhall and Stoke, including support setting up groups and training for communities
  - **Schools' education programme** – roll out of a schools educational offering as part of multi solution energy efficiency improvements in schools

4. Links to wider Council programmes

4.1. Delivery through the SEP supports several wider Council initiatives and the One Coventry Plan:

- **Climate Change Strategy** – the updated Climate Change Strategy was published this year. The SEP is a core delivery mechanism for initiatives set out in this strategy, mainly in the 'Route to net zero' pathway but with links to others.
- **Electric City** – our work with E.ON through the SEP is fully aligned with the Electric City initiative and ambitions.
- **Net Zero Neighbourhoods** – the Council has secured funding to pilot a net zero neighbourhood in Hillfields and we are bringing together several initiatives through SEP to support this. Enabling initiatives including the Kestrix drone pilot to analyse building energy efficiency and targeted provision of information on energy efficiency schemes and developing a neighbourhood based retrofit programme. These initiatives have huge potential to provide real benefit to residents through energy efficiency improvements to homes.
- **'Living lab'** – the Council has demonstrated its ambition to pilot new technologies in Coventry such as Very Light Rail and the Urban airport. Through SEP we can trial other new opportunities which also benefit residents. For example, trial new and alternative renewable technologies such as electric boilers, in spaces where heat pumps might be unsuitable. Exploring data, digital and connectivity opportunities such as digital twins, smart sensors, AI solutions. Trialling new types of customer propositions which support the transition to renewable energy.
- **LoveCov** – a campaign to support the best that the City has to offer; highlighting communities, places and stories that bring together people and make Coventry unique. Our unique partnership and specific SEP projects such as Coventry Grows contribute to this approach.

5. Next steps

Key activities expected to progress in the next six months include:

- Inception of a major project to explore low carbon, clean energy, large scale solutions – a long-term project to create low carbon, low-cost heat and energy generation in Coventry.
- Further progress on development of solar farm.
- Development of an innovative heat pilot.
- Development work on larger scale programmes to decarbonise schools and Council buildings and a proposition for buildings occupied by SMEs.
- Further innovation development and commence gathering of data on existing pilot projects.
- Further development of Community benefit opportunities and delivery on existing programmes such as Coventry grows and tree planting initiatives.

The next update to the Shareholder Committee will be provided in autumn 2025 (date TBC).

Annual Business Plan 2025-26

Coventry City Council

Strategic Energy Partner

FOR EXTERNAL CIRCULATION WITH COUNCIL SHAREHOLDER REPORT. NOT LEGALLY BINDING.

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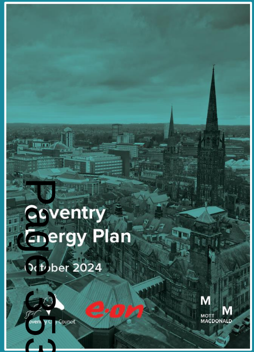
Welcome to our 2025-26 Annual Business Plan

Coventry City Council (the **Council**) has joined forces with E.ON UK plc (**E.ON**) to launch a pioneering 15-year-Strategic Energy Partnership (the **SEP**). We will see our two organisations collaborate on revolutionising energy use in the city for the benefit of local communities and the wider economy.

This Annual Business Plan **(ABP)** depicts the ambitions for the next 12 months of the SEP: recaps what the partnership has been doing since its inception in September 2023, what it plans to do until March 2026, and how these activities will benefit Coventry and move the city on its decarbonisation journey.

The partnership has committed to supporting the Council's decarbonisation targets and providing huge benefits to communities and businesses that would not otherwise be possible. We will transform the city's approach to carbon reduction focusing on energy sustainability, efficiency and boosting the local economy. We will create new jobs, tackle green skill-gaps through a deliberate push to preferred local supply chains, businesses and educational institutions and deliver projects that will generate and supply energy, help tackle fuel poverty, enable energy resilience, help create cleaner air, and help promote health and wellbeing.



A key milestone in 2024 has been the creation of a SEP-led **Coventry Energy Plan** for the City that developed a vision of the future Coventry and clear direction of travel for the SEP's activities and project pipeline. This forms the basis of the delivery detail for this ABP 2025-26 and provides the strategic direction for the **SEP 2025-26 Strategic Goals**.

As part of our commitment, we have also developed a Community Benefit Fund (**CBF**) which will help with delivering outcomes that benefit the environment and community. In response to growing demand for professionals in Coventry's renewable energy sector, we are committed to recruiting and training apprentices as well as offering work placements while upholding Equality, Diversity and Inclusion (**ED&I**) principles.

SEP 2025-26 Strategic Goals

In line with the **SEP's Strategic Themes** and based on the **Coventry Energy Plan,** seven delivery programmes have been defined for 2025-26. They are:

Heat Networks **Residential** **Innovation and other activity**

Renewable Generation **SME and public sector buildings** **Transportation** **Community Benefit**

In 2025/6 the key outputs the SEP intends to deliver are:

- Development and execution of the **delivery programmes resulting from the Coventry Energy Plan**.
- Assessment, development and implementation of a **public sector building decarbonisation programme**, starting with schools.
- Further development, subject to successful planning permission, of a **solar farm**.
- Initial exploration and subsequent development, subject to feasibility study completion, of **Project Genesis**, a project to explore supply and demand of low cost, affordable heat at scale, recognising the opportunities presented by heat network expansion, heat zoning, energy storage and fleet decarbonisation.
- Development and implementation of a **pipeline of innovation projects** exploring new technologies and proof of concepts. Trials will include product development and piloting of residential and micro business solutions and propositions.
- **Data, digital and connectivity will be a key enabler** and theme across energy propositions.

ABP Facts & Figures: September 2023 - March 2025

Table I – Project overview

Cumulative Gateway approvals to end March 2025	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Aspiration in 24/25 ABP	25	22	16	16	7	6
Actual delivery	28	20	18	16	5	2

Table II – Highlights

17 Months of the Partnership

16 E.ON-Council Board meetings

185k YouTube views of SEP videos

89 Gateway approvals

£1.3m Social benefit committed

4 FTE increase to deliver for the SEP

860 School children inspired

22 Projects in the Pipeline

11 project contracts signed

1 Coventry Energy Plan delivered

Table III – Partnership Spend & Investment (£m)

Partnership Spend (FTE and non-people costs)	
E.ON	*£3.0m*
Council	*£0.3m*

Investment (Devex, Capex, Opex, CCC Grants & Community Benefit Fund) into Projects	
SEP total (E.ON & Council)	*£1.9m*

Actual spend for September 2023 – March 2025 is a forecast subject to final reconciliation following the year end

Coventry City Council / e·on Strategic Energy Partner

As of: 14.01.2025

Page 356

ABP Facts & Figures: April 2025 - March 2026

Background

The partnership spends enable the continued growth and pipeline of projects over the next 12 months. Key projects in development will require significant investment with returns delivering social, environmental and economic returns beyond the ABP timeframe. Our ambition is to create a financially sustainable partnership for the next 15 years

Table I – Project overview

Cumulative Gateway approvals to end March 2026	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
New 25/26 projects	15	13	12	12	5	2
In-flight 24/25 projects	-	4	2	3	14	13

Table II – Strategic Outcomes

Clean Local Energy	
	Installed renewable energy - Solar PV generation capacity target **850kWp** - Heat pump total target installation size **800kW**

Clean Local Energy	
	Reduction in CO2 - Based on completed installations in 2025/26, the total forecast avoided CO2 through business cases **150tCO2e**

Table III – Partnership Spend & Investment (£m)

Partnership Spend (FTE and non-people costs)	
E.ON	*£2.3m*
Council	*£0.2m*

Investment (Devex, Capex, Opex , CCC Grants, Community Benefit & Innovation Fund) into Projects	
SEP total (E.ON & Council)	*£12.6m*

All numbers stated are estimates and represent our ambition over the next 3 years but are subject to formal sign off, of the final business cases

Coventry City Council / e·on Strategic Energy Partner

As of: 14.01.2025

ABP Financial and Delivery Insights

This ABP is based on knowledge and assumptions of projects known to the partnership and give an indication of our ambition over the next three years. This pipeline will continue to grow and be complemented by the programmes of projects delivered by the partnership, but only projects currently captured in the ABP are reflected in these figures – the apparent reduction in investments and outcomes in future years will not be realised as new projects are added.
For the purposes of the figures shown, no grant funding has been assumed in the investments beyond that which has already been secured for the Partnership.
Any headcount directly linked to a specific project, will only be mobilised once it has been approved through the SEP gateway process.

£m		2023-25* Sep '23-Mar '25	2025/26 Apr-Mar	2026/27 Apr-Mar	2027/28 Apr-Mar
Partnership Spend (FTE and non-people costs)	**Total**	**3.5**	**2.5**	**2.4**	**2.6**
	E.ON	3.0	2.3	2.2	2.3
	CCC**	0.3	0.2	0.2	0.2
Investments (Devex, Capex, Opex, CCC Grants, Community Benefit Fund)	**Total**	**1.9**	**12.6**	**16.0**	**7.4**
Strategic Outcomes KPI targets	**Installed solar kWp**	**N/A**	**850**	**22,200**	**1,200**
	Installed heat pumps kW	**N/A**	**800**	**-**	**-**
	CO2 avoided tCO2e* **	**N/A**	**150**	**720**	**4,300**

The above indicates an innovation fund of £0.2m in 2025/26

All numbers stated are estimates and represent our ambition over the next 3 years but are subject to formal sign off, of the final business cases
*Partnership costs are higher as this covers an 18-month period. Actual spend for Year 1 is a forecast subject to final reconciliation following the year end.
**Covers total cost of FTE where one of the roles is currently fully grant funded
*** CO2e avoided calculations were undertaken by a CCC instructed consultant using UK Gov Conversion Factors for Company Reporting.

Coventry City Council / e.on Strategic Energy Partner

ABP Financial and Delivery notes

Council resource

The Council's core SEP team includes 2.5 full time equivalent (FTE) officers to support delivery (1 Project Manager, 1 Project Officer and 0.5 Finance). This resource was identified from the reallocation of existing resources and was approved as part of the Council's Budget in February 2024. A further dedicated resource was secured using grant funding.

To support project development outlined in this ABP, Council resource requirements, additional to the above, have been identified. This resource requirement will provide project development support in the Council. In line with the partnership agreement and subject to CJV board approval at the relevant gateways, the estimated DevEx (Development Expenditure) for projects in the year 2025/26 is £0.4m. These DevEx costs can be covered by E.ON if approved as part of the Project Proposal in relevant Gateway. When/if a project reaches commercial close, any DevEx covered by E.ON will be built into the Business Case for the project.

Devolution funding

The recent Devolution White Paper (December 2024) highlights Government ambitions to devolve more powers to Strategic Authorities. Devolution of funding to West Midlands Combined Authority is becoming an increasingly important funding source for decarbonisation projects in Coventry. The level of funding available in the short-medium term is likely to remain constrained and not provide large-scale funding opportunities for SEP priorities. Further details on advantages and disadvantages of the devolved approach, and its role in SEP priorities, are included in section 5.

Contents

Coventry Energy Plan output

What direction are we taking the partnership in

1

Transitioning Coventry to Net Zero by 2050 at pace & scale, benefitting the city's residents, businesses and environment

- Cities across the UK are facing a significant challenge in their journey to Net Zero. In response to this challenge and as a part of the city's Climate Change Strategy, Coventry City Council appointed E.ON as its Strategic Energy Partner in 2023 to work together to achieve the city's energy goals over a 15-year period.
- The city is committed to achieving Net Zero by 2050, with an interim target of 68% reduction by 2030 (compared to 1990 levels). According to the Net Zero Routemap projection leading to 2038, nearly a quarter of the city's emissions could be reduced through the Coventry Energy Plan's proposed initiatives[1].

Key Coventry Statistics

- Coventry's population has grown to 345,300[2] in 143,000 homes, of which over 63.6% are of working-age[3].
- A significant proportion of Coventry's housing stock is old, terraced buildings where ASHP solutions, EV charging infrastructure installation can be challenging.
- 20% of Coventry households live in low-income low energy efficiency households, compared to just 13% nationally[4]
- 96% of businesses in Coventry are classified as SMEs (Small Medium Enterprises).

1 Assuming the CEP's High ambition Scenario
2 grown by 13.8% according to the census of 2021; this rate of growth is higher than England as a whole (8.8%).
3 According to the 2023 mid-year population estimates, over one-fifth (22.3%) are children and young people aged under 18, 63.6% are of working-age (18-64).
4 https://www.coventry.gov.uk/facts-coventry/coventry-72

The challenges and opportunities identified for the city

Gas heating

The city's energy mix is predominantly gas at 67%, primarily in domestic use. Emissions from gas-powered heating doesn't resolve itself in record time without intentional action.

- This presents a great opportunity for the introduction of gas boiler alternatives and other sustainable heating solutions in the city.
- As a significant proportion of the city's populous (43% residential & 50% SMEs) are renters. Relationship development with the landlords is key factor we are committed to.
- The diverse building types that form Coventry's housing stock demand tailored technological solutions & economical propositions.

Transportation

Transport is one of the biggest single sources of emissions in the city (27%). Tackling the challenge of green transport systems and alternative mobility solutions is key to make a positive impact on the carbon picture.

- Support the enablement of electric mass transit options in the city through to last mile transport
- The SEP (Strategic Energy Partnership) has the capacity to support EV charger installation at pace and scale in conjunction with the evolving demand for EVs in the future.
- The SEP can facilitate clean energy supply to support the demands of the transport sector transition.
- Culture and behaviour influencing with personal vehicle ownership.
- Holistic solutions to decarbonise the Council's vehicle fleet.

With electric vehicles being a part of a larger puzzle, a wider transportation strategy is being explored for the city by the Council.

Culture and behaviour

Recognizing the crucial shift in thinking and behaviour needed to make new energy work, businesses and residents would be supported with initiatives to help them with the transition to cleaner and greener technology.

An inflationary economy, high cost of living, increasing business overheads reduces the availability of disposable funds that can be invested in sustainable solutions.

To improve the uptake of sustainable solutions among residents and businesses, the SEP has an opportunity to develop supportive propositions and offering that make a case for economic viability.

To deliver our core strategic objective of "decarbonising cities and industry", we must innovate & pilot new propositions that help drive change in this diverse market and social demography.

The solution for Coventry to help meet these challenges

Community Benefit **Social Value for the city**	**Environment** **Carbon Reduction**	**Investment** **Capital Expenditure in the region**
• Creation of an estimated 2,000 full-time jobs per year through to 2038, especially through local supply chains. • Assisting local businesses to avail SEP initiatives thereby helping their carbon reduction journey • Employability training initiatives, support to adults re-entering the workforce • Schools' education and skills development training. • Community initiatives (Biodiversity, volunteering, mentorship)	Up to 65% reduction in carbon emissions from 2021 baseline and a 74% reduction against a 1990 baseline And as a result: • This helps businesses meet sustainability targets, elevates eligibility for investments, and creates conducive environment for business opportunities. • Gives residents cleaner air, warmer homes and healthier environments to live in	An investment of c.£10 billion (up to 2038) is estimated to support the development of targeted propositions and programmes to benefit the residents and businesses. Some, but not all of that investment will be through SEP. Much of the investment will be by others, and the role of the SEP is to create an enabling environment which maximises the opportunity.

The SEP is uniquely positioned, by the nature of its public-private structure and operational expertise, to provide solutions and delivery mechanisms that would otherwise not be possible. To achieve a 65% reduction in carbon emissions (from a 2022 baseline), get to 17% energy security (% of Coventry's 2022 electricity demand covered by generation) and an equivalent of 2,000 FTE job impact (per year over the course of the SEP period) a ~ £10 billion investment would be needed over the next 15 years. The technologies and solutions that would drive this change are predominantly focused on renewable energy, SME (Small Medium Enterprises), residential retrofit, heating solutions and transportation. These, alongside innovation and community benefit, are the programmes SEP will focus on in 2025-26, and are described further in Section 4.

Coventry City Council / e·on Strategic Energy Partner

Introduction

What the SEP and ABP are

2

Introduction to the Annual Business Plan

As part of the SEP, we have a pair of business plans. The five-year SBP sets out our mission, strategic themes and details the process by which projects are selected. The ABP is produced by the partnership ahead of each financial year (April to March), providing a detailed review of past performance, an outlook to our future activities as well as details of both financial & non-financial performance and controls we have set to align with our SBP. The ABP will also outline the immediate priorities of the partnership and provide an overview of the projects and activities the partnership plans to focus on during the year ahead. This year the ABP builds on the Coventry Energy Plan produced in 2024.

Mission & Values

The SBP set the foundation for the development of the partnership, in which we have agreed an overarching Mission and set of Values. Both this ABP and all subsequent project-specific activity will be held to account against both the Mission and Values set out in the SBP, as summarised below.

Our Overarching Mission

Our mission statement clearly sets out what we want to achieve through the partnership.

Our Values

We have a set of principles and standards for the SEP which governs how we will work together and are expected to act, behave and interact with each other, partners, customers and citizens. This collaborative approach within the governance structure is designed to foster a positive culture, achieve mutually beneficial outcomes and proactively address potential conflicts of interest or disagreements. **Our five guiding values are:**

Putting Coventry First	Behaving Purposefully	Working Better Together	Delivering on our Promises	Exploring New Paths
*We believe that our actions **positively impact our local communities**.*	*We believe it is important to stay healthy & positive - taking **care of ourselves and others**.*	*We believe that we need **teamworking and true partnership** to be successful.*	*We believe that our **actions will bring success**.*	*We believe that **innovation and new ideas** come from curiosity.*

Mission of our Strategic Energy Partnership

*"A **greener and healthier** Coventry. A city led by a **focus on energy sustainability**, supporting a thriving **local green economy** and providing a better **quality of life for all**"*

Strategic Themes and Outcomes

We have set ourselves several objectives for the partnership, which have been **divided into four strategic themes**. These themes will provide the **foundation** for the development of the partnership and **delivery of project specific activity**. Each of these themes will **drive our focus towards outcomes** which benefit Coventry.

The strategic themes act as **guiding pillars**, directing our decision-making processes and ensuring that every initiative is aligned with our results. By organising our outcomes under these themes, we promote a long-term vision and ensure that **short-term successes** contribute to the sustainable development of Coventry.

Clean Local Energy

1. Coventry's energy supply increasingly coming from local green sources.
2. Coventry residents and businesses having reduced exposure to global energy market pressures.
3. Community energy generation and efficiency schemes encouraged and supported.
4. Positioning Coventry as a sustainable, energy resilient & investable future city for business & development.
5. Decarbonising heat across the city.

Jobs & Skills

1. Promote, encourage & champion academic & research programmes that inspire & deliver local green skills.
2. Establish a strong local supply chain whilst promoting recruitment of green jobs within the Coventry area.
3. Recruitment of apprentices over the lifetime of the partnership.
4. Demonstrating the application of Equality, Diversity & Inclusivity principles.

Innovation & Scale

1. Pipeline of pilot scalable energy innovation projects & new technologies to decarbonise energy, improve resilience & help reduce energy bills in Coventry.
2. Development of a scalable EV charging strategy for the city.
3. City wide solar energy for public buildings and schools.
4. Support and promote the city as a living lab
5. Contribute to Coventry's circular economy, recycling and reusing energy and materials

Community Benefit

1. Warmer, more energy efficient homes, helping to reduce fuel poverty across Coventry.
2. Targeted support and energy advice to the most vulnerable and harder to reach communities.
3. Commitment to an annual community benefit fund.
4. Ensuring all voices in the city are heard and no one is left behind.

Performance Indicators for 2025-26

Each activity we undertake as part of the partnership, **must align** to at least one of the strategic outcomes associated with at least one of the Strategic Themes. During the project proposal process and subsequent Gateway process as we build towards an investment case and recommendation, we will **clearly set out** which outcome we are seeking to influence, and then **set the activity a target** in line with the overarching KPIs for that Theme.

There has been an **aspirational target** applied to **installed renewable energy, CO2 avoided, apprenticeships, pilot energy projects and community benefit** for 2025/26 based on anticipated project delivery.

Clean Local Energy

KPI
Installed Renewable Energy (Solar PV 850kWp; Heat pumps 800kW)
Energy demand reduction through energy efficiency measures
CO2 avoided (Forecast for completed installations 150tCO2e)
Number of homes retrofitted

Innovation & Scale

KPI
Number of pilot energy projects initiated 4
Number of new technologies trialled in Coventry
Number of public & private chargers deployed
kWh of energy optimisation

Jobs and Skills

KPI
Jobs created in Coventry by SEP and Supply Chain
Apprenticeships created by SEP 4
% jobs and apprenticeships created from most vulnerable and harder to reach communities

Community Benefit

KPI
Community Benefit Fund Deployed £500,000
£ community benefit committed (as measured in the TOMs)
% of £ deployed to targeted groups
% of £ community benefit to targeted groups

All SEP Activities need to match Project Acceptance Criteria and pass through six-stage process

Activity Selection & Delivery

- Activities and Projects of Strategic Energy Partnership will be assessed against a series of financial and socio-economic criteria.
- As SEP we are aiming for a **balanced portfolio,** where certain projects won't be cashflow positive, but will benefit the community or deliver environmental benefits.
- Each activity will follow a **six-step Gateway Process** during which an overarching fit to the **Project Acceptance Criteria (PAC)** must be proven.
- In case of Social Value activities, these are assessed against the Social Return on Investment (SROI) based on the TOMs framework.

Technical Project Activity

Social Value / Community Benefit Activity

Low value approval process <£250k

Six-step Gateway Process

The six stages process offers a robust framework for the origination, development, construction and operation of projects contributing to the outcomes of the Strategic Energy Partnership. Each project proposed must pass through the gateway process set out below, with the investment decision not taken until gateway four is cleared. To aid quick decision making for low value initiatives, a streamlined approval process has been introduced for **investments up to £250k** for approval by one SEP member from each organisation. All decisions reached through this process are reported to the CJV Board and where decisions can't be reached through this route, they are taken to CJV Board for a final decision.

Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Project proposal	Feasibility study	Outline Business Case	Detailed Business Case	Readiness for market	Benefits realisation
Proposed SV measures or theme	Feasibility Study and SV Assessment	Outline Business Case incl. SV	Detailed Business Case	Readiness for market	Benefits realisation, SV monitored
Full Proposal and Detailed Business Case				Readiness for market and Benefits realisation	

Final Investment Decision

Project Acceptance Criteria assess project across 5 dimensions: from strategic fit to appropriate risk management

B Project Acceptance Criteria

Strategic Fit	Technical Fit	Economic Fit	Community Benefit	Risks
• Aligns with the SEP's mission & objectives • Aligns to the One Coventry Plan and the Climate Change Strategy • Aligns to E.ON's strategic objectives and ESG commitments	• All relevant HSE requirements addressed • Designs & Delivery in line with good industry practice • Criteria of Efficiencies, effectiveness, availability, quality, reliability, generated yield, accessibility met	• Project delivers a positive NPV when lifetime cashflows are discounted at the appropriate hurdle rate specific for the technology • Project delivers a positive EBIT and Return on Capital Employed (ROCE) margin over time • Project is in line Value for Money approach	• Project delivers positive social value and environmental impact (extraordinary if no economic fit) • Project supports local labour market and supply chain whenever possible • Project delivered on and on a "Zero Harm" basis, protecting colleagues and residents	• Positive opinion of a rigorous risk assessments for each project, considering factors such as market volatility, regulatory changes, and technological uncertainties • Identified project risks and opportunities are collected and managed

Coventry City Council / e·on Strategic Energy Partner

Retrospective

How we did last year

3

Strategic Energy Partnership achievements in Year 1

Highlights

- **17** Months of the Partnership
- **16** E.ON-Council Board meetings
- **185k** YouTube views of SEP videos
- **89** Gateway approvals
- **£1.3m** Social benefit committed
- **4** FTE increase to deliver for the SEP
- **860** School children inspired
- **22** Projects in the Pipeline
- **11** project contracts signed
- **1** Coventry Energy Plan delivered

Coventry Energy Plan
A strategic long term energy vision for the city, identified opportunities and challenges

Council building decarbonisation
Retrofit of four Council buildings utilising PSDS funding

Energy supply contract
Commencement of a new energy supply contract for the Council

Home Upgrade Grant 2
Delivery of funding for energy efficiency measures in low-income & fuel-poor households

EV charging projects
Delivery of EV chargers at 3 Council car parks in the city

Schools heating
Finalised designs for delivery of heat pumps in two schools in the city

Solar Farm
Progressing discussions on the site viability and designs for planning

Regional low carbon heat and power
Commenced a significant project in the city which covers all strategic themes of the partnership

Kestrix trial
Using drone technology to capture thermal imaging of properties

Affordability Pilot
Providing solutions to support Coventry customers in energy debt

Biodiversity initiative
Working with Treekly to explore a forest initiative for Coventry

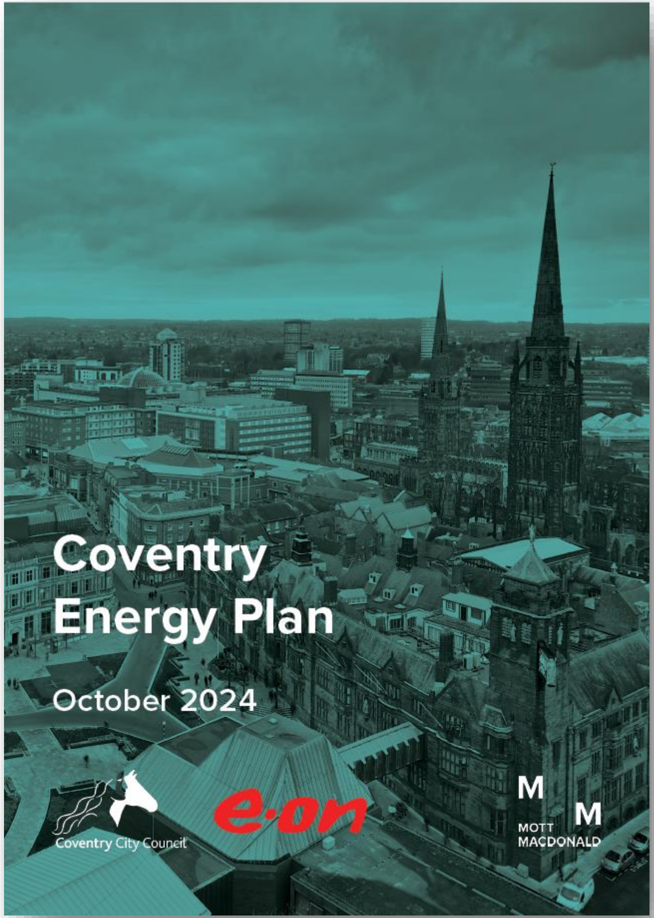
Schools Programme
Education programme offering workshops to initially 10 primary schools

Delivered · Approved · In progress · Innovation · Social Value

Coventry City Council / e.on Strategic Energy Partner

Completion of the Coventry Energy Plan

- A key piece of work in the last six months has been the development of the **Coventry Energy Plan** which has been fully funded by E.ON. The Coventry energy plan provides a strategic long term energy vision for the city, aligned with the SEP Strategic Themes, giving us a detailed understanding of the energy challenges and opportunities looking to the next 15 years and beyond.
- The development of the plan has been led by consultants Mott MacDonald, working closely with the SEP team and external stakeholders to develop a proposed pipeline of **commercially viable and technically feasible** energy projects, with a focus on heat decarbonisation for homes and businesses, retrofit of homes and SMEs, electric vehicle charging and renewable and low carbon energy generation. The interventions will support a reduction in carbon emissions across the city by up to 65% by 2038 (based on 2021 baseline), producing 17% of the city's current electricity needs which will significantly increase energy resilience. In order to deliver this, significant **public and private investment** will be required.
- The development of the Coventry Energy Plan has drawn on expertise from across both organisations, alongside Mott MacDonald. The Coventry Energy Plan development has also involved liaising with **external stakeholders** such as WMCA to discuss their regional energy strategy refresh, and National Grid Electricity Distribution to discuss wider energy distribution impacts. Other key stakeholders have included University of Warwick, Coventry University, Bring Energy, Cadent and Severn Trent, with which E.ON has a pilot project to recover heat energy from waste-water in sewers to provide heating and cooling to local buildings.
- The Coventry Energy Plan was completed in October and provides a **prioritised approach** to SEP activity which feeds into the Annual Business Plan development. This will ensure that SEP activity focuses on priority interventions that will make the biggest impact to the city, benefitting residents, businesses and the public sector. Strategic goals set out in this ABP include the development and execution of the Coventry Energy Plan delivery programmes: **Renewable Generation, Heat, SMEs & Public Buildings, Transportation** and **Residential.**



As of: 13.12.2024

Coventry SEP Projects KPI Dashboard

Project overview

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Number of projects approved per Gateway	8	2	2	11	3	2

Clean Local Energy

Cumulative all projects

KPI	Current performance
Installed Renewable Energy kWh	40 kWp (2 Sites - 26kWp & 14kWp)
Energy demand reduction through energy efficiency measures	HUG2 Team calculating figures
CO_2 (tonnes) avoided	0.74
Number of homes retrofitted	24

Both Foleshill site (454 Foleshill Road & Foleshill library) installations are complete and handed over. Installations have begun at Moat House and Coundon. In total this will deliver 127 CO_2t of carbon savings over the next year.
The HUG2 project has delivered a number of retrofit measures in the homes of Coventry residents, with further details on carbon savings and energy demand reduction being calculated as part of the audit process.

Innovation & Scale

Cumulative all projects

KPI	Current performance
Number of pilot energy projects initiated	4
Number of new technologies trialled in Coventry	0
Number of public & private chargers deployed	16
kWh of energy optimisation	0

10 chargers have been commissioned at the Train Station, 6 chargers have been installed at NUS Car Park and are expected to go live shortly. A further 20 are due to be installed at Salt Lane once contracts agreed and potentially 12 more at the Train Station. New technologies and propositions are being worked on, including a trial with Kestrix to use drones to map heat loss in the city.
4 Pilots have gone live including a residential Solar PV discount through E.ON Next and the Affordability trial which is building a pipeline of installations, with one completed in November.

As of: 13.12.2024

Coventry SEP Social Value KPI Dashboard

Jobs and Skills

Cumulative all projects

KPI	Current performance
Jobs created in Coventry by SEP and Supply Chain	4.6
Apprenticeships created by SEP	2
% jobs and apprenticeships created from most vulnerable and harder to reach communities	0

Community Benefit Programme

Cumulative all Community Benefit Programme projects

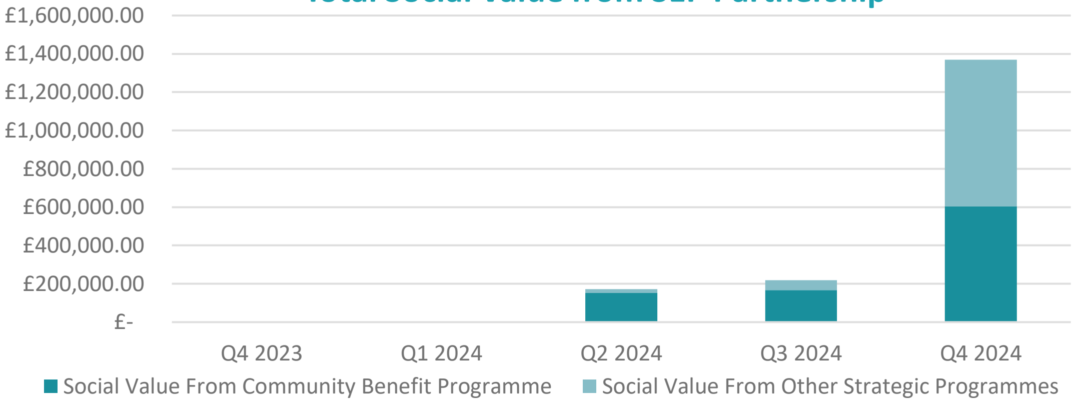
KPI	Current performance
Community Benefit Fund Deployed	£287,884
£ community benefit committed from CBF (TOMS)	£609,543
% of £ deployed to targeted groups	66.6%
% of £ community benefit to targeted groups	29.1%

Apprenticeship opportunities in the local area are being developed, with new apprentices joined E.ON in September 2024. Work has been done with organisations and universities to promote apprenticeships for future years.

Current spend from the Community Benefit Fund is on track, following significant projects being approved. The realisation of social benefit has commenced through the Schools Programme as well as other smaller initiatives delivered. With projects in development these benefits will be realized over time.

The Community Benefit Fund social value as well as social value from the other 6 delivery programmes outlined in the exec summary are highlighted in the graph. **Total Social Value Delivered by SEP is £1.3m.**

Total Social Value from SEP Partnership



Additional benefits to Coventry due to the SEP

Additional activities where the SEP have delivered to engage the community, deliver social impact and raise awareness of the Strategic Energy Partnership with Coventry community and residents.

Strategic Theme	Initiative	Description
Community Benefit	**Sustainability Heroes**	Launched our Coventry Sustainability Heroes campaign in partnership with Coventry Live and the Coventry Telegraph earlier this year, to find - and celebrate - the remarkable work of local unsung heroes making a positive impact on the city
Community Benefit	**Pupil Parliament**	Warwick University, local primary school children presenting energy manifestos with a panel Q&A session with SEP team member
Community Benefit	**Godiva Festival**	E.ON Next sponsorship of Godiva Festival in July 2024 which hosted 69,000 visitors
Community Benefit	**Care Leavers Awards**	Sponsored the Care Leavers Awards for the last 3 years. Brings partners across the City together and E.ON have shared apprenticeship and career knowledge through this platform
Community Benefit	**Careers Fairs**	E.ON attended key careers fairs in Coventry including the Job Shop Careers Fair held in September 2024, the Coventry College Green Careers Fair and Severn Trent Careers Fair in November 2024
Community Benefit	**Spark a Light**	E.ON surveyed 10,000 people across the UK on their attitudes towards sustainable change and opportunities in their local area. We collaborated with John Bernard, Coventry Poet Laureate, to create a poem that brings together the hopes, dreams and wishes of people from across the city that will hopefully 'Spark a Light' and inspire local residents to create a greener future
Community Benefit	**Social Value Conference**	E.ON & CCC took part in speaking slots and panels at the leading Social Value industry event in October 2024 and E.ON sponsored the Social Value Awards
Community Benefit	**Mural**	Unveiled 'Our Imagined Future', a striking 32ft mural in the heart of Coventry, inspired by what children imagine a greener future could look like in our cities
Community Benefit	**Space Centre Visit**	Opportunity for c60 school children from Coventry to visit the Space Centre in Leicestershire following an E.ON event cancellation at the venue

Additional benefits to Coventry due to the SEP

Additional activities where the SEP have supported to showcase the Coventry Partnership as a leader in the UK.

- Raising awareness of SEP
- Educating businesses, communities and residents on net zero
- Raising awareness of renewable energy solution technologies to businesses and residents
- Showcasing Coventry as a living lab to test new innovation

Strategic Theme	Initiative	Description
Clean Local Energy	UKREiiF	Launching Coventry's Investment prospectus at UKREiiF with SEP attendance and partners acting as keynote speakers
Clean Local Energy	Climate Change Board	E.ON representation on the Climate Change Board, as well as with SEP team on the Pathway – Route to Net Zero
Clean Local Energy	Coventry Buses	E.ON Coventry partnership branding on Coventry Buses
Clean Local Energy	Primary Partnership Meeting	E.ON attendance to speak to Head teachers and shared knowledge on Solar for Schools projects
Jobs and skills	E.ON Events	EIS SLT team meetings held at St. Mary's Guildhall in February 2024. 21 FTE over 2 days. EIS Extended Leaders event held at Warwick Uni in September 2024. E.ON UK Leadership Team meeting at MTC in October 2024 for over 100 senior leaders across E.ON UK.
Innovation	MotoFest	E.ON sponsorship of MotoFest 2024. The event brings in £11m to the local economy across the weekend and E.ON chaired an industry round table event

Activity deep-dives

Details on what we will do, how and why

4

Programmes overview

The programmes below have changed from 2024/25 version of the SEP Annual Business plan due to the findings of the Coventry Energy Plan. The technologies and solutions that would drive change are predominantly focused on the following programmes which have now been adopted:

Renewable Generation

Generation of clean local electricity and heat contributing to energy flexibility, security and resilience for the city

Heat Networks

Focused on waste heat recovery including piloting mini district heating networks and approaches to distribute low carbon heat

SME and public sector buildings

To deliver measures for commercial buildings, both public and private sector, to lower carbon and reduce energy costs

Transportation

To support the Council ambition for electric vehicle infrastructure across the city

Residential

Development of an evolving energy solutions offering to all sectors of residents across the city

Innovation and other activity

New pilots and propositions will be developed and tested across the city, as a fundamental role of the SEP

Community Benefit

Supports the commitment to fostering meaningful relationships with local community groups, organisations and participating in environmental, economic and social initiatives in Coventry

Renewable Generation

- The programme will support the Council's corporate objectives of reducing its carbon footprint by increasing the proportion of renewable energy.
- The key focus areas for SEP activity will be looking at solar farms, including progressing the current project through to completion, subject to planning and other factors, as well as assessing future potential solar farm sites identified through the Coventry Energy Plan. The development of the power element of Project Genesis will also be progressed, along an extended timescale in line with the rest of the project.
- Separately, as part of their strategic focus on Coventry, E.ON will be developing commercial opportunities with large businesses in the city to help them decarbonise, thus having an impact for the entire city. Whilst these will be separate to the SEP due to commercial confidentiality, the benefits achieved through these projects can be captured against the carbon saving opportunities identified in the Coventry Energy Plan.

SEP Projects Gateway Progress

1 Gateway aspiration for 2025/26

1 Gateway approved

Solar Farm (First site) 1 2 3 4 5 6

Solar Farm (Second site) 1 2 3 4 5 6

Project Genesis – Power 1 2 3 4 5 6

Impact on Strategic Themes

Clean Local Energy

Additional installed renewable energy capacity in Coventry

Jobs & Skills

New jobs and capabilities in the Sustainability Sector in Coventry

Community Benefit

Improved active travel and focussed support of the site ecology and environment

Renewable Generation

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Solar farm – First site	Approved	Approved	Q2 2025	Q4 2025		

Activity in 25/26: Conditional on the planning applications for the solar farm being approved there will be a mobilisation of the next steps of project activity that will set out to satisfy the planning conditions.
Resource requirements: There is currently a **B2B Project team** within E.ON which will be required to endure to deliver the project, along with support from the **SEP team** within E.ON and the Council for programme management and strategic direction.

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Solar farm – Second site	Q1 2026					

Activity in 25/26: Review of potential future solar farm sites from the data already captured from the Coventry Energy Plan as well as any other insights on potential sites in and around the city to enable Gateway 1 approval for further development in future years.
Resource requirements: Utilising the current E.ON B2B and Council joint Project team members working alongside the current solar farm, along with support from the SEP team within E.ON and the Council.

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Project Genesis – Power	Approved	Q3 2025				

Activity in 25/26:
Resource requirements: Identified workstream leads from within the E.ON business across the different areas of Project Genesis to support the development and feasibility.

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Heat Networks

- The key development opportunity will be for the SEP to work through the heat requirements of Project Genesis to a Gateway 2 position within 2025/26. What these look like will be identified through various joint E.ON and Coventry City Council workshops throughout the first half of 2025 in order to support the definition of these as part of an extended timescale project due to the complexity involved.
- The SEP will also aim to create a pilot to generate heat through innovative solutions to test a mini heat network approach. This may expand to a further pilot depending on opportunities and findings.
- Heating opportunities within buildings are captured within the Residential and SME and Public Buildings programmes within the ABP, albeit with crossover in terms of benefits aligned to the Coventry Energy Plan.

SEP Projects Gateway Progress

1 Gateway aspiration for 2025/26 | 1 Gateway approved

	1	2	3	4	5	6
Project Genesis – Heat	Gateway approved	Gateway aspiration for 2025/26				
Innovative heat pilot 1	Gateway aspiration for 2025/26	Gateway aspiration for 2025/26	Gateway aspiration for 2025/26	Gateway aspiration for 2025/26		
Innovative heat pilot 2						

Impact on Strategic Themes

Clean Local Energy

Reduced emissions and operating costs

Innovation & Scale

Trial new heat technologies and approaches

Community Benefit

Improved heating of community hubs i.e. libraries and health centres

Heat Networks

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Project Genesis – Heat	Approved	Q3 2025				
Activity in 25/26: Resource requirements: Identified workstream leads from within the E.ON business across the different areas of Project Genesis to support the development and feasibility.						
Innovative heat pilot 1	Q3 2025	Q3 2025	Q4 2025	Q1 2026		
Activity in 25/26: Create a pilot to generate heat through innovative solutions to test a mini heat network approach Resource requirements: E.ON SEP team will initiate the pilot activity, to then draw on E.ON delivery functions alongside the Council and other city stakeholders.						
Innovative heat pilot 2						
Activity in 25/26: No activity currently anticipated in 2025/26, with development potential in 2026-28. This has the potential to support the Council's Net Zero Neighbourhood initiative, dependent on further scoping. Resource requirements: N/A for 2025/26						

SME and Public Sector Buildings

- The activity will build on work already progressed in the SEP and separately by the Council to deliver measures for public buildings and schools across the city to lower carbon and reduce energy costs. The aim is to complete activity already in progress whilst also developing a proposition for further public buildings which combines different solutions for maximum impact, including solar, heat pumps, building fabric and other measures.
- Further to this, for Council buildings with tenants or occupied by the Council, under Minimum Energy Efficiency Standard (MEES) requirements there will be obligations for the Council to meet energy performance ratings in these buildings. The SEP is seeking to develop a programme and supporting delivery model to meet these standards as a minimum, enabling the Council to operate these buildings.
- E.ON will create a proposition for private SMEs within the city to decarbonise the buildings which they operate from. In some cases these may be buildings they lease from the Council which would bring dual benefits to the tenant and the Council, and in other cases the SMEs might own their own buildings or lease them privately.
- As part of their BAU activities outside of the SEP, the Council will continue to provide SMEs within the city with energy audits to help them identify how they can make their buildings more energy efficient as well as connecting them to opportunities to access funding to install any identified measures.
- Several aspects of this programme has the potential to support the Council's Net Zero Neighbourhood initiative.

SEP Projects Gateway Progress

1 Gateway aspiration for 2025/26

1 Gateway approved

Building Decarbonisation Phase 2	1	2	3	4	5	6
Schools Heating (PSDS3b)	1	2	3	4	5	6
Public Sector Building Prop	1	2	3	4	5	6
MEES Phase 1	1	2	3	4	5	6
SME Pilot Proposition	1	2	3	4	5	6

Impact on Strategic Themes

Clean Local Energy

Clean local energy production that is utilised across the school portfolio

Innovation & Scale

Key component to the city-wide solar approach

Community Benefit

Education programme for children

SME and Public Sector Buildings

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Building Decarbonisation Ph2	Approved	Approved	Approved	Approved	Q2 2025	Q3 2025

Activity in 25/26: Programme due to complete by March 2025 to no further action in 2025/26. There will be some project close down activities such as lessons learned that the SEP PM team will lead on. There will also be both a Gateway 5 & 6 report due after completion.
Resource Requirements: SEP Programme team to work with ECS & CCC to close the project down after successful installation by March 2025 & also develop the required Gateway documents ready for the relevant CJV board meetings.

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Schools Heating	Approved	Approved	Approved	Approved	Q3 2025	Q4 2025

Activity in 25/26: Deliver heat pumps in the schools against the employer requirements outlined in the contract.
Resource requirements: E.ON delivery team alongside the Council Facilities and Education teams to deliver.

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Public Sector Building Prop	Q2 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	

Activity in 25/26: Development of a solution agnostic proposition for schools and public sector buildings, to be rolled out across schools initially.
Resource requirements: E.ON project delivery teams to work with the Council and E.ON SEP teams to conduct appraisal of buildings to identify optimal solutions. Council Education and onsite school facility / management teams to support the rollout.

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
MEES Ph1	TBC	TBC	TBC	TBC		

Activity in 25/26: Appraisal of portfolio of buildings, alongside regulatory implications and tenancy obligations from the Council, to identify optimal solutions.
Resource requirements: E.ON delivery team to work with Council Property team to identify requirements, with support from SEP team.

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
SME Proposition	Q2 2025	Q3 2025	Q3 2025	Q3 2025		

Activity in 25/26: Appraisal of SME building opportunities in the city, to identify where best to target and pilot a proposition.
Resource requirements: E.ON delivery team to work with the SEP team and potential partners to identify opportunities.

Transportation

- The primary focus of this programme is to support the Council's ambitions for electric vehicle charge points within the city where commercially viable.
- A key aspect of Project Genesis is expected to be around transportation and the potential to consider fleets and depots which will be developed alongside the extended timescales for the rest of the project. Beyond that, a charging trial for domestic properties to charge EVs on the street could also be looked at as a SEP project.
- The Council will continue to develop and deliver against its EV Charging Strategy with opportunities to work with the SEP to be identified through collaborative discussions.
- As part of its wider strategy to create EV charging hubs across the UK, E.ON will identify any opportunities in and around Coventry to develop these outside of the SEP as private arrangements to help improve the offerings to Coventry residents, businesses and visitors. Equally, through BAU activity E.ON will also install private EV chargers including for domestic properties which can also support the delivery of opportunities identified within the Coventry Energy Plan.

SEP Projects Gateway Progress

1 Gateway aspiration for 2025/26

1 Gateway approved

NUS car park EV chargers	1	2	3	4	5	6
Salt Lane EV charger upgrade	1	2	3	4	5	6
Train Station EV charger upgrade	1	2	3	4	5	6
Project Genesis – Transport	1	2	3	4	5	6
On-street EV charging trial	1	2	3	4	5	6

Impact on Strategic Themes

Innovation & Scale

Development of a scalable EV charging strategy and network for the city

Jobs & Skills

Establish a strong local supply chain

Transportation

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
NUS Car Park EV Chargers	Approved	Approved	Approved	Approved	Q1 2025	Q2 2025
Activity in 25/26: Project close down activity and lessons learnt review. *Resource requirements:* SEP team to support review with delivery and client teams following charger installations.						
Salt Lane EV Charger Upgrade	Approved	Approved	Approved	Approved	Q1 2025	Q2 2025
Activity in 25/26: Installation and commissioning of replacement chargers. Project close down activity and lessons learnt review. *Resource requirements:* EDRI to install and commission chargers with alignment to Coventry Council Comms team. SEP team to support review with delivery and client teams.						
Train Station EV Charger Upgrade	Approved	Approved	Approved	Q1 2025	Q1 2025	Q2 2025
Activity in 25/26: Installation and commissioning of replacement chargers. Project close down activity and lessons learnt review. *Resource requirements*: EDRI to install and commission chargers with alignment to Coventry Council Comms team. SEP team to support review with delivery and client teams.						
Project Genesis – Transport	Approved	Q3 2025				
Activity in 25/26: Review of transportation scope items identified through the Project Genesis workshops to develop towards feasibility and potential partnerships if required. *Resource requirements:* Identified workstream leads from within the E.ON business across the different areas of Project Genesis to support the development and feasibility.						
On-street EV charger trial	Q4 2025	Q4 2025	Q4 2025	Q4 2025		
Activity in 25/26: Trial an opportunity for properties in the city without private driveways to enable them to benefit from EV ownership. *Resource requirements*: E.ON delivery team to lead with support from the SEP team to connect into the right opportunities.						

Residential

- The programme supports the installation of energy efficiency and renewable energy production measures in residential properties across Coventry. This will include the delivery of projects through various funding mechanisms which will be monitored and assessed for their feasibility within the city.
- The ongoing Affordability Pilot offered by E.ON through the SEP utilising Coventry as a test bed will continue as well as other relevant residential offerings where delivery through the SEP brings wider benefits.
- There is also expected to be initial stage work with housing associations in the city to help decarbonise social housing. This initial work may also extend to Council-owned temporary accommodation in the city as well as new build developments to improve their efficiency.
- Whilst E.ON has limited market share of domestic supply and solutions in Coventry, the deliverables against the broad opportunities identified in the Coventry Energy Plan will be dependent on residents. Through BAU activity separate to the SEP, E.ON will continue to develop propositions for residents in order to generate solutions sales within the city to help contribute to wider decarbonisation.
- Several activities in this programme have the potential to support the Council's Net Zero Neighbourhood initiative.

SEP Projects Gateway Progress

1 Gateway aspiration for 2025/26

1 Gateway approved

HUG2 project	1	2	3	4	5	6
Energy Company Obligation (ECO)	1	2	3	4	5	6
Warm Homes Scheme	1	2	3	4	5	6
Affordability Pilot	1	2	3	4	5	6
Solar PV resident offer	1	2	3	4	5	6
Social Housing Decarbonisation	1	2	3	4	5	6

Impact on Strategic Themes

Clean Local Energy

Residents having reduced exposure to global energy market pressures

Jobs & Skills

Strong local supply chain whilst promoting recruitment of green jobs within Coventry

Community Benefit

Warmer, more energy efficient homes, helping to reduce fuel poverty across Coventry

Residential

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Home Upgrade Grant (HUG)2 project	Approved	Approved	Approved	Approved	Q2 2025	Q3 2025
Activity in 25/26: The delivery of the project will be carried out followed by a post-project review. *Resource requirements:* The review will primarily require **SEP team** availability with some input from the **project teams** involved from E.ON and the Council.						
ECO	TBC	TBC	TBC	TBC		
Activity in 25/26: Discussions in progress on the viability of delivery through the SEP, following previous successful collaboration on resident engagement. *Resource requirements:* TBC						
Warm Homes Scheme	TBC	TBC	TBC	TBC		
Activity in 25/26: Dependent on funding decision and availability from WMCA into the Council. *Resource requirements:* TBC						
Affordability Pilot	Approved	Approved	Approved	Approved	Q2 2025	Q3 2025
Activity in 25/26: Delivery of further installations in identified properties followed by a review of the success factors from the pilot activity, with potential further funding. *Resource requirements:* Continued delivery through the E.ON delivery teams and engagement back into the Council and SEP team.						
Solar PV resident offer	Approved	Approved	Approved	Approved	Q2 2025	Q3 2025
Activity in 25/26: Review of the success factors from the proposition and analysis of potential future opportunities. *Resource requirements:* SEP team working with the E.ON delivery team.						
Social Housing Decarbonisation	Q4 2025	Q1 2026				
Activity in 25/26: Review of the buildings and needs, as well as understanding the commercial business case for delivery for optimal housing solutions. *Resource requirements:* E.ON delivery team alongside the Council and partner housing associations, with support from the SEP team.						

Innovation and other activity

- The development of an innovation and propositions pipeline will progress to be incorporated into the other programme areas where they align, but with some captured as separately as part of the SEP innovation fund.
- Innovation and Pilot activities will include the affordability trial with the possibility for an extension. A targeted thermal heat loss pilot, heat propositions including residential low carbon heat pilots using alternative technologies. Energy as a Service and bundled solutions.
- Data, digital and connectivity will be a key enabler and theme across energy propositions.
- Work is also expected to continue to build on the success of new connections carried out, to create a streamlined SEP-specific process for fast-paced delivery when opportunities arise. Although these are requested sporadically, having a process to respond to them quickly is a good opportunity for the SEP.
- There is an opportunity as part of the SEP to help secure a gas supply agreement that benefits the Council and reduce the financial uncertainty associated with the wider energy markets.

SEP Projects Gateway Progress

1 Gateway aspiration for 2025/26

1 Gateway approved

Kestrix pilot	1	2	3	4	5	6
Zero Emission Boilers pilot	1	2	3	4	5	6
Council Gas Supply	1	2	3	4	5	6
New connection opportunities	1	2	3	4	5	6

Impact on Strategic Themes

Clean Local Energy

New pilot propositions to encourage green innovation across the city

Innovation & Scale

Pilots to trial innovation projects in the city

Community Benefit

Community Benefit delivery through projects

Innovation and other activity

<table>
<tr><th></th><th>Gateway 1</th><th>Gateway 2</th><th>Gateway 3</th><th>Gateway 4</th><th>Gateway 5</th><th>Gateway 6</th></tr>
<tr><td>Kestrix Pilot</td><td>Approved</td><td>Approved</td><td>Approved</td><td>Approved</td><td>Q4 2025</td><td>Q1 2026</td></tr>
<tr><td colspan="7">Activity in 25/26: Commencement of drone scanning for 6250 properties in two areas of Coventry. Following this will be a review of the findings of the pilot and any follow-up activity through the Gateway 5 and 6 review. This activity will support the Council’s Net Zero Neighbourhood initiative
Resource requirements: SEP Innovation and Props team, with support from the Council and E.ON leads as well as the delivery partner, Kestrix.</td></tr>
<tr><td>Zero Emission Boilers Trial</td><td>Q1 2025</td><td>Q1 2025</td><td>Q1 2025</td><td>Q1 2025</td><td>Q3 2025</td><td>Q4 2025</td></tr>
<tr><td colspan="7">Activity in 25/26: Identification of suitable properties and engagement with those to enable delivery. Review of the outcomes of the trial and critical success factors identified.
Resource requirements: SEP Innovation and Props team, with E.ON delivery leads and potential partnerships if required for delivery into properties.</td></tr>
<tr><td>Council Gas Supply</td><td>Approved</td><td>Q2 2025</td><td>Q3 2025</td><td></td><td></td><td></td></tr>
<tr><td colspan="7">Activity in 25/26: Following a proposal in early 2025 then a Gateway 2 will be developed to allow exclusivity. Once the proposal is finalised the project will progress to Gateway 4 relatively quickly. The main bulk of activity will be the legal work behind the agreement - it is expected that contracted terms will broadly follow the new electricity supply contract that was signed in 2024.
Resource requirements: SEP programme team to oversee the proposal submission including areas such as social value & subsequent agreement meetings toward the signing of the contracts ahead of the new supply date in 2027.</td></tr>
<tr><td>New Connection Opportunities</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
<tr><td colspan="7">Activity in 25/26: Development of a streamlined process for Council new electrical connections to progress quickly through the SEP. These will be reactive to Council requirements with an advance view of opportunities challenging to create.
Resource requirements: Initiated by the SEP Programme team with support required from E.ON’s Lighting and Grid delivery team and the Council client team.</td></tr>
</table>

Community Benefit

- This programme supports the commitment to fostering meaningful relationships with local community groups, organisations and participating in environmental, economic and social initiatives in Coventry.
- The Community Benefit fund is separate to the technical programmes and its focus is wholly on creating benefits for communities in Coventry. The SEP projects focus in Social Value will be delivering against the Community Benefit Fund which will aim to deliver a variety of projects which meet the different social value strategic aims.
- In addition to the projects delivered utilising the Community Benefit fund, social value will be delivered through technical projects as approved through the CJV Board. Other activities such as Cornerstone utilising Enterprise Advisors in the city and involvement in Coventry Careers Fairs will deliver social value returns for the city but not require any drawdown from the community benefit fund.

SEP Projects Gateway Progress

1 (yellow) Gateway aspiration for 2025/26
1 (green) Gateway approved

Care Leaver Work placement	1 (green)	2 (green)	3 (green)	4 (yellow)	5 (yellow)	6 (yellow)
Coventry Grows	1 (green)	2 (green)	3 (green)	4 (green)	5 (yellow)	6 (yellow)
Biodiversity	1 (green)	2 (green)	3 (green)	4 (green)	5 (yellow)	6 (grey)
Books	1 (green)	2 (green)	3 (green)	4 (green)	5 (yellow)	6 (yellow)
Highly Sprung	1 (green)	2 (green)	3 (green)	4 (green)	5 (yellow)	6 (yellow)
Schools Programme Rollout	1 (yellow)	2 (yellow)	3 (yellow)	4 (yellow)	5 (grey)	6 (grey)
Retrofit training programme	1 (yellow)	2 (yellow)	3 (yellow)	4 (yellow)	5 (yellow)	6 (grey)
Community Centre Retrofit	1 (yellow)	2 (yellow)	3 (yellow)	4 (yellow)	5 (yellow)	6 (grey)

Impact on Strategic Themes

Jobs & Skills

New Apprenticeships in the Sustainability Sector in Coventry.

Community Benefit

Utilise annual community benefit fund to deliver projects

Community Benefit

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Care Leavers Work Placements	Approved	Approved	Approved	Q2 2025	Q4 2025	Q1 2026
Activity in 25/26: 2 week work placement opportunity at E.ON for up to 20 Care Leavers, complete with multiple opportunities in operational and office-based work, CV workshops, mock interviews, 2 day trip to training academy in Kingswinford, work placement awards ceremony and ongoing mentoring support after placement. *Resource requirements:* SEP team, Strategic Lead, Net Zero Academy team, looked after children, social workers support for overnight stay and wider E.ON support for placements.						
Coventry Grows	Approved	Approved	Approved	Approved	Q3 2025	Q1 2026
Activity in 25/26: Delivery of community growing project. This contributes to the Council's Net Zero Neighbourhood initiative. *Resource requirements:* SVF spend to be paid to CCC, Grapevine community facilitator.						
Biodiversity	Approved	Approved	Approved	Approved	Q4 2025	
Activity in 25/26: Programme to support biodiversity growth in the city, supporting existing work, community initiatives and developing new projects across the city. *Resource requirements:* SEP team, Council Wildlife and Woodland team, Treekly team.						
Books	Approved	Approved	Approved	Approved	Q3 2025	Q1 2026
Activity in 25/26: Working with local author and illustrator to rollout two new books to all schools in city, set up serious of volunteer reading sessions, facilitate business mentoring sessions and workshops in community. *Resource requirements:* SEP team, CCC Schools and Education Team.						
Highly Sprung	Approved	Approved	Approved	Approved	Q1 2025	Q12025
Activity in 25/26: Gateway 5 and 6 approval of event and benefits realisation. *Resource requirements:* SEP Team.						

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Community Benefit

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Schools Programme Rollout	Q1 2025	Q2 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026

Activity in 25/26: Rollout of schools educational offering as part of multi solution schools approach, drawing down from the social value fund as required to ensure equitable offering to all schools in the city.
Resource requirements: SEP Team, Educational Training Partner.

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Retrofit Training Programme	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q3 2026	Q3 2026

Activity in 25/26: Retrofit adviser training programme to be developed and NEET volunteers enrolled as part of city retrofit programme of works. Volunteers to shadow works in city for experience and free qualification provided by SEP.
Resource requirements: SEP Team, GFS, Retrofit Academy.

	Gateway 1	Gateway 2	Gateway 3	Gateway 4	Gateway 5	Gateway 6
Community Centre Retrofit	Q1 2025	Q2 2025	Q2 2025	Q3 2025	Q4 2025	Q4 2025

Activity in 25/26: Adoption of community centre approach to social value, including solutions, volunteering, advice, mentoring, and awareness of other SEP social value initiatives e.g. Coventry Grows and Retrofit Training Programme.
Resource requirements: SEP Team, E.ON Volunteers, GFS, Commercial Services Volunteering group, CCC Community Team.

Key risks and mitigations

5

As of: 14.01.2025

Key Partnership Risks, Mitigations & Outcomes (1/2)

Status column is to summarise the risk at a moment of ABP release

Risk	Type	Description	Mitigation	Status
Funding Availability	Financial	Reduction to government or commercial funding for net zero schemes (e.g. due to budget cuts, financial crisis, global volatility)	• Review viable funding options with Council (e.g. equity, debt, 3rd party) with close ties to WMCA funding approach. • Create monitoring process and a roadmap of funding for net zero schemes.	Open – under review Ongoing mitigation
Macro-economics	Financial	Challenges impacting all solution types as well as hurdle rates for capital investment projects	• Regular review of the Project Acceptance Criteria (PAC) and specific project investment by Programme Leads and Finance Leads. • Develop the Project Portfolio based on experience of the SEP teams for the ABP and SBP.	Open – under review Ongoing mitigation
Conflicting Historic Planning Policy	Operational	Increased difficulty to deliver projects due to conflicting or historic policies	• Identify constraints or issues that existing planning policy could impose on schemes offering benefits to Coventry and its residents. • Collaborate with the Council to identify potential policy solutions.	Open – under review Ongoing mitigation
Global Supply Chain Challenges	Operational	Reduced ability to source materials and core infrastructure either resulting in a delay to the delivery of a project, and therefore delayed returns, or inflated pricing	• Enable visibility of the potential supply chain requirements over the mid-term. • Align needs with local and Global supply chain teams to ensure the optimum economic outcome is achieved. • In some cases may also include strategically delaying a project to ensure that the CJV is able to secure economic efficiencies and value for money.	Open – risk not live

NB: Project risks to be picked up through project governance processes

As of: 14.01.2025

Key Partnership Risks, Mitigations & Outcomes (2/2)

Risk	Type	Description	Mitigation	Status
Resource Availability	Operational	Not enough skilled personnel and / or funding for resources, available throughout the project	• Regular resource planning and allocation, along with continuous monitoring of resource usage, will help in proactively identifying and addressing any resource constraints. • Dedicated SEP Team (both E.ON and CCC).	Open – under review Ongoing mitigation
Stakeholder Alignment	Operational	Lack of shared understanding of the SEP and its projects' objectives and outcomes	• Establishing clear communication channels, involving stakeholders in decision-making processes, and regularly updating them on projects. • Conducting workshops/meetings to address concerns and gathering feedback will foster collaboration and buy-in from stakeholders.	Open – under review Ongoing mitigation
Schedules & Costs	Operational	Changes in project requirements/ scope as well as unforeseen expenses or inaccurate estimates can lead to delays and increased costs	• Implementing a change management process, incl. procedures for approving and documenting changes. • Regular progress reviews and proactive risk management. • Transparent communication with stakeholders about any changes. • Developing detailed and accurate cost estimates, along with contingencies for unexpected expenses. • Regular budget reviews and financial reporting.	Open – under review Ongoing mitigation
Regulatory & Compliance	Legal	Changes in regulations or non-compliance with existing regulations	• Monitoring of the regulatory environment and conducting compliance audits. • Ensuring that project teams are trained in relevant regulations and adopting best practices for compliance.	Open – risk not live

NB: Project risks to be picked up through project governance processes

Coventry City Council / e.on Strategic Energy Partner

Devolution of funding summary

The recent Devolution White Paper (published December 2024) highlights Government ambitions to devolve more powers to Strategic Authorities. Coventry is part of West Midlands Combined Authority (WMCA, the Strategic Authority in the region), and the Council and key stakeholders play an active role representing the city's interests on a regional level. Devolution of funding to West Midlands Combined Authority is becoming an increasingly important funding source for decarbonisation projects in Coventry. The 2023 Trailblazer Deeper Devolution Deal has led to the development of the WMCA Integrated Settlement which will devolve funding for a number of strategic pillars, ranging from transport, jobs and skills, housing, and includes capital funding for retrofit projects from FY 25/26 to 27/28.

The 'Retrofit Pillar pilot' will provide grant funding for private homes, social housing and the public sector estate, and include funding sources that Coventry would have traditionally had to bid for in a national pot such as Social Housing Decarbonisation Fund and Public Sector Decarbonisation Scheme. The likely level of funding available in the short-medium term is likely to remain constrained and not provide large-scale funding opportunities for SEP priorities. However, the advantages of the new arrangement provide more flexibility, which will hopefully lead to removal of some of the barriers previously experienced around eligibility and funding criteria to enable more projects to be delivered on the ground. In the medium-long term it also provides a route for Government to channel additional funding into retrofit in the region dependent on policy priorities and fiscal constraints.

The SEP provides Coventry with a unique and agile delivery route for Coventry to be able to take forward WMCA-funded projects, therefore will play an important role in the delivery of SEP priorities.

Partnership operational *overview*

6

Introduction to the Organisational Summary

We have created a **leadership** and **management structure** that will be fully accountable for the delivery of the partnership objectives, both strategically and operationally. The **CJV Board** is specifically designed to integrate with the Council's dedicated roles and promote a culture of collaboration and partnership working ensuring the achievement of outcomes and the monitoring, measurement, and assessment of performance to drive continuous improvement. We have committed a permanent partnership team who will work on a project-by project basis. The **operational team** will work with focus and pace and have an eye on the horizon with specific external focus on partnerships, innovation, and social value.

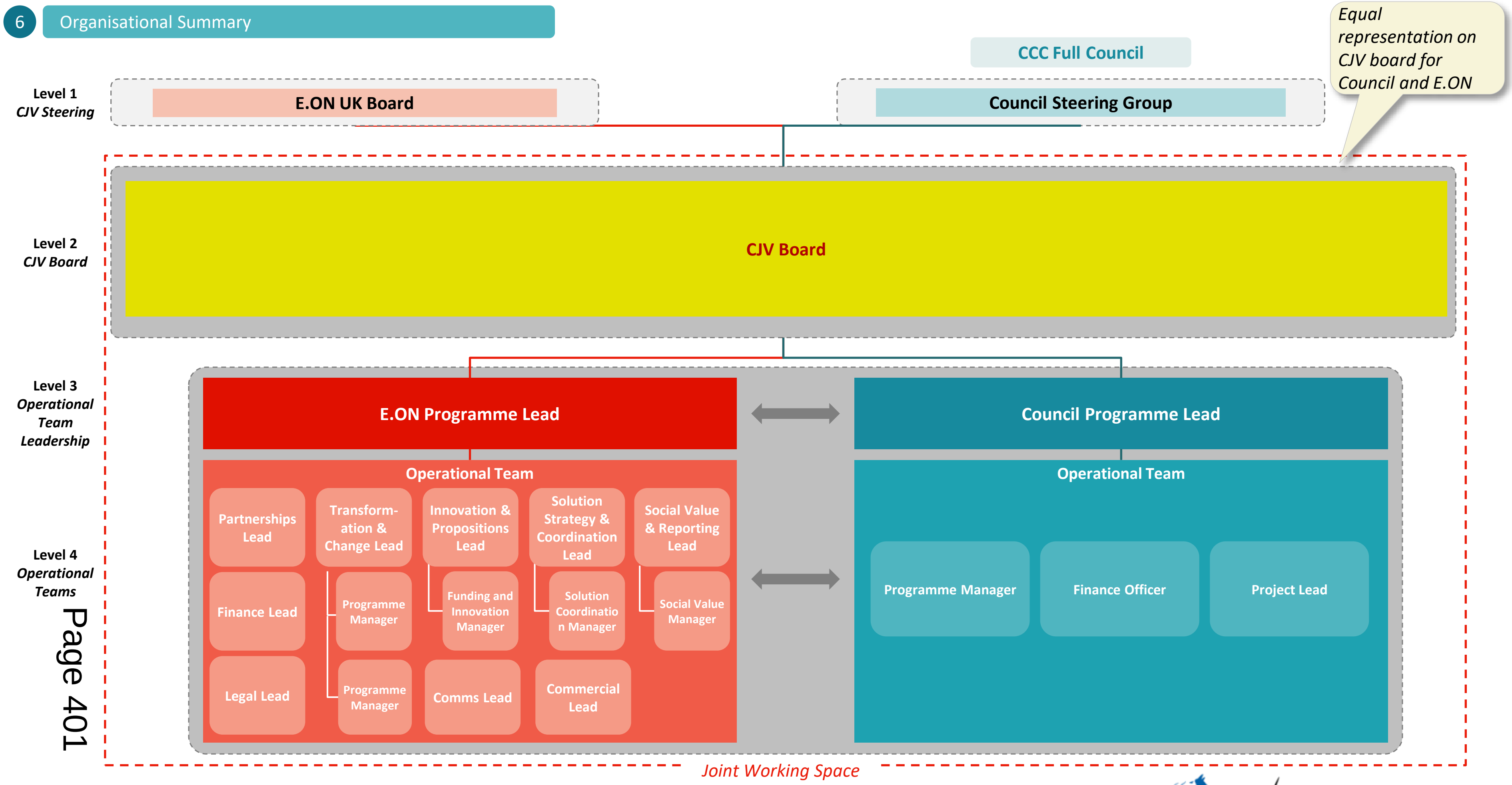
Partnership Costs

Both E.ON and the Council are fully committed to the success of the partnership and will allocate skilled resources across the project value chain, covering origination, development, design, build, and operation. **The cost of these resources will not be an additional expense for the partnership**, except for specific project-related costs that require external recruitment.

E.ON **will not recharge any overhead costs** associated with the E.ON SEP Team from any project in the first 5 years of the SEP. From year six, the Team costs will be capable of being recovered from the CJV Portfolio returns*.

Organisational structure on following page

*reference partnership agreement documentation for information on management of overhead costs



Coventry City Council / e.on Strategic Energy Partner

SEP E.ON Operational Team

Role	Summary of Role & Responsibilities	FTE
Programme Lead	Responsible for leading the Strategic Energy Partnership programme on behalf of E.ON, as well as the strategy and business planning process to ensure that Strategic and Annual Business Plans are agreed and implemented, and that objectives and outcomes are achieved. The Programme Lead provides the primary interface between the CJV Board and E.ON's partnership team and acts as the main interface with E.ON.	
Partnerships Lead	Responsible for the development of external partnerships and commercial opportunities, working with external organisations locally, nationally and internationally.	
Transformation and Change Lead	Responsible for leading the E.ON programme team, planning and overseeing the partnership's delivery programme with a strong focus on future change plans and ways of working	
Programme Manager	Responsible for day-to-day programme delivery activities, including coordinating internal project plans and reporting, as well as supporting the Transformation and Change Lead	
Social Value Lead and Manager	Responsible for leading the development and delivery of the Social Value Programme and associated reporting, while also embedding social value in Coventry through a strategic outcomes-focused plan	
Innovation and Propositions Lead	Responsible for innovation and proposition development for the partnership, as well as innovative approaches that meet the needs of city residents and businesses to deliver low carbon, sustainable and resilient solutions	
Funding and Innovation Manager	Responsible for operational support of Innovation and Proposition Lead with focus on project funding	
Solution Strategy & Coordination Lead	Responsible for the development and feasibility of new and existing low carbon technologies and oversight and coordination of project delivery within the operational business. The Service and Product Delivery Lead is also responsible for coordinating project resources and leading on strategy	
Solution Coordination Manager	Responsible for operational support of Solution Strategy & Coordination Lead	
Finance Lead	Responsible for day-to-day financial planning in line with the Strategic and Annual Business Planning processes, as well as tracking costs and project finances. The Finance Lead feeds into and builds on other workstream activities	
Commercial Lead	Responsible for developing and evaluating business cases and identifying projects that will deliver the overall strategy while generating revenue for partnership and the Council	
Communications Lead	Responsible for the coordination of communications and engagement activity for the SEP within E.ON and working alongside Council colleagues to deliver against the communications and engagement plan	
Legal Lead	E.ON senior legal counsel	

1 FTE *Full-time in the partnership*

0.5 FTE *Part-time in the partnership*

Note: Within the operational team of the partnership, Full Time Equivalent (FTE) ensures the dedicated commitment of professionals to the success and seamless operation of the collaboration

Total Headcount:	15
Total FTE:	13

SEP CCC Operational Team

Role	Summary of Role & Responsibilities	FTE
Programme Lead	The Council Programme Lead provides the primary interface between the E.ON team and the Council team. Responsible for leading the Council Strategic Energy Partnership team, overseeing partnership development and ensuring delivery of the partnership aims, objectives and projects including the Strategic and Annual Business Planning and outcomes contained within these.	
Programme Manager	The Council Programme Manager provide programme planning, support and delivery to ensure the partnership aims and objectives are met. A key interface with E.ON programme team. Supporting the Council Programme Lead and deputising as appropriate.	
Finance Officer	The Council Finance Lead is responsible for financial planning and monitoring in line with the partnership aims and objectives and the Strategic and Annual Business Plans, cost tracking and project finance, working with wider programme team to track activity.	
Project Lead	The Council Project Lead oversees project delivery of the partnership, providing the main interface between project teams in E.ON and the Council, monitoring progress and working with Programme Lead and Programme Manager to ensure delivery of partnership aims and objectives.	
Climate Change Lead	Responsible for ensuring compatibility of the partnership plans and objectives with the broader Climate Change Strategy, encouraging and supporting projects to this end. Accountable for internal Council governance compliance and approvals	
Legal and Compliance Direction	Responsible for partnership and project legal matters, supporting on the delivery of contract and governance compliance matters	
Commercial Direction	Responsible for supporting the financial and commercial aspects of projects and of the partnership	

1 FTE *Full-time in the partnership*

0.5 FTE *Part-time in the partnership*

Note: Within the operational team of the partnership, Full Time Equivalent (FTE) ensures the dedicated commitment of professionals to the success and seamless operation of the collaboration

Total Headcount:	**7**
Total FTE:	**3.5**

Operational information

Locations

Joint working space
One Friargate, Station Square, Coventry
CV1 2FL, UK

Coventry City Council
Coventry City Council, PO Box 7097,
Coventry, CV6 9SL

E.ON UK plc
Westwood Business Park, Westwood
Way, Coventry, CV4 8LG, UK

Contact

E.ON
tomorrowscities@eonenergy.com

Coventry City Council
strategicenergypartnership@coventry.gov.uk

Board meetings

Duration
120 minutes

Frequency
Once a month on average

CJV Board meetings 2025

- January 30th, 2025
- February 27th, 2025
- March 27th, 2025
- April 24th, 2025
- May 29th, 2025

Meeting attendees

- ***CJV Board Constitution:*** *6* Council, 6 E.ON
- ***Standing CJV Board meeting****:* Council Programme Lead, E.ON Programme Lead, Transformation and Change Programme Manager
- ***Flexible CJV Board meeting:*** As required
- ***Quorum:*** 2 Council, 2 E.ON

Glossary

7

Acronyms & Glossary

ABP	Annual Business Plan
BAU	Business As Usual
(B)EV	(Battery) Electric Vehicle
BESS	Battery energy storage solutions
CAGR	Compound annual growth rate
CAPEX	Capital expenditures
CBF	Community Benefit Fund
CCC	Coventry City Council
CDP	A globally recognised charity that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts
CJV	Contractual Joint Venture
Community Benefit / Social Value	The social impact and benefits that a business/project provides to society ensuring tangible, meaningful and real place-based benefits within communities.

DEVEX	Development spend, spent in assessing projects
E.ON	E.ON UK plc
EBIT	Earnings Before Interest, Taxes
ECS	E.ON Control Solutions
ED&I	Equality, Diversity and Inclusion
EIS	Energy Infrastructure Solutions (E.ON)
EPC	Energy Performance Certificate
ESG	Environmental, Social and Governance
FTE	Full-time equivalent/employee
LSOAs	Lower layer Super Output Areas
MEES	Minimum Energy Efficiency Standards
MTP	Medium-term plan
MW	Megawatt (measure of power)
MWh	Megawatt-hour (measure of power consumption/usage)
NPV	Net Present Value

OPEX	Operating expense
PAC	Project Acceptance Criteria
PHEV	Plug-In Hybrid Electric Vehicle
PSDS	Public Sector Decarbonisation Scheme
RIBA	Royal Institute of British Architects
ROCE	Return on Capital Employed
R&M	Council Repair and Maintenance team
SBP	Strategic Business Plan
SEP	Strategic Energy Partnership
SLT	Senior Leadership Team
SME	Small Medium Enterprise
SROI	Social Return on Investment
TCV	Total Contract Value
TOMs	Themes, Outcomes and Measures
V2G	Vehicle to Grid


Coventry City Council
Strategic Energy Partner

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Coventry City Council

Public report
Cabinet

A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the identity, financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Coventry Shareholder Committee 26 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

Ward(s) affected:
None.

Title:

UKBIC Business Plan 2025/26

Is this a key decision?
No.

Executive summary:

UKBIC is a state-of-the-art battery manufacturing research and development facility, funded by £114m from the UK Government (through Innovate UK, part of UK Research & Innovation) and £18m from the West Midlands Combined Authority (WMCA). The facility is operated by UKBIC Ltd which is owned by Coventry City Council (CCC). The Council is also accountable body for the grant funding used to establish the facility.

This report recommends approval of the UKBIC Business Plan for 25/26 which is included at as an appendix to the corresponding private report.

Recommendations:

The Coventry Shareholder Committee is recommended to:

1. Approve the UKBIC Business Plan attached to Appendix 1 of the corresponding private report

List of Appendices included:
None.

Background papers:
None.

Other useful documents
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:

1. Context (or background)

1.1. The UK Battery Industrialisation Centre (UKBIC) Limited is a state of the art, 20,000m2 battery manufacturing research and development facility on Rowley Road which was formally opened in July 2021. UKBIC is an open access facility designed to allow UK manufacturers to trial and industrialise the next generation of batteries for electric vehicles and other applications, which is essential to the UK's net zero ambitions.

1.2. Between November 2017 and October 2019, the Council approved the acceptance of £114m grant funding from Innovate UK's Faraday Battery Challenge towards the total cost of £132m to develop the UKBIC facility. The remaining £18m was provided in the form of a loan from WMCA, with repayments secured through an arrangement put in place with UKBIC Ltd ensuring that the Council is put in funds.

1.3. The Faraday Battery Challenge was established by government in 2018 to invest in research and innovation projects, and facilities, to drive the growth of a strong battery business in the UK. Securing UKBIC in the Coventry area is critical to the future of the area's world-class automotive and advanced manufacturing cluster.

1.4. UKBIC Ltd (company no. 11227726) was established in order to operate the facility. CCC owns 100% of the shares in UKBIC Ltd and has two CCC directors who sit on the board, including the Chair. The remaining board seats are made of up of the UKBIC Managing Director and Finance Director, a representative from Government's Advanced Propulsion Centre (APC) and independent battery / automotive industry experts. In addition, a Faraday Challenge Director attends the board as an observer.

1.5. The Faraday Battery Challenge reviews and approves the UKBIC Ltd business plan on a regular basis to ensure that the business is sustainable and that it is meeting the technology needs of the UK automotive industry, and is currently providing core operational funding to UKBIC Ltd. From 25/26 onwards, funding for Faraday Challenge and therefore UKBIC (working capital) funding will come from the Department for Business and Trade (DBT).

1.6. CCC does not provide any ongoing funding for UKBIC, but it did provide a one-off short term £500k loan in 2021 which is being repaid in line with expectations, and due to be fully repaid by 2027.

2. Options considered and recommended proposal

2.1. **Option 1- Do Nothing.** The Council's governance and reporting requirements for companies in its ownership requires the agreement of a business plan each year. Failure to present this report will mean that the Council is not provided with visibility over the business planning for UKBIC Ltd. This report has therefore been prepared to meet this requirement.

2.2. This is not the recommended option.

2.3. **Option 2 – Approve the Business Plan** This report has been drafted in line with the Council's governance and reporting requirements for companies in its ownership.

2.4. UKBIC's Business Plan for the 2025/26 financial year is included as an appendix to the corresponding private report. As well as setting the budget for the year, the business plan sets out the UKBIC revenue projections for the future, looks at the market in which business operates and its potential customers, and the risks facing the business.

3. Results of consultation undertaken

No consultation has been undertaken.

4. Timetable for implementing this decision

Upon the approval of this report, UKBIC Ltd will be notified that the Shareholder has approved the Business Plan for 2025/26.

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

5.1. Financial Implications

The UKBIC Business Plan is attached at Appendix 1 of the corresponding private report, and sets out a balanced budget for the financial year, with income from government funding and sales to customers balanced against the cost of staffing, overheads and materials etc.

The forecast also includes repayments against the £500k loan provided by the City Council in 2021 and is due to fully repaid by 2027.

5.2. Legal Implications

UKBIC is complying with its governance requirements under the Articles of Association and in relation to the obligations under the grant agreement.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

The Council's ownership of UKBIC contributes to the Economic Prosperity theme in the One Coventry Plan. In Coventry and Warwickshire, almost 40,000 people are employed in the automotive industry, and with the sale of new internal combustion engine vehicles due to cease in 2035 it is essential that CCC supports our local automotive industry to transition to design, development and production of electric vehicles. Having UKBIC in the area along with other world class innovation assets such as WMG, Coventry University, MTC and MIRA makes the area highly attractive for investment in electric vehicles and other clean technologies.

6.2. How is risk being managed?

A key risk mitigation is the Council's Directors having two seats on the UKBIC Ltd Board, including the Chair. No decisions can be taken on the operation of UKBIC without the approval of the Council's two Director Board Members. Financial risks for example linked to the WMCA Loan are mitigated by the fact that CCC has security of UKBIC's land and buildings. Finally, the oversight provided by the Faraday Battery Challenge provides essential input on UKBIC's business plan to ensure that it is meeting the needs of the UK automotive industry, as well as the associated grant funding that they provide

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

In order to manage Coventry City Council's (CCC) ownership of UKBIC Ltd it is necessary for staff in the Economic Development Service, Finance and Legal to ensure that UKBIC is reported correctly in the Council's accounts, and that conditions of the original Innovate UK grant continue to be met, and that the terms of the WMCA loan are complied with. There is also an ongoing time commitment from the two CCC Directors who sit on the UKBIC Board.

6.4. **Equalities / EIA?**

No equalities impact assessment has been undertaken.

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

UKBIC's work in supporting the transition to electric vehicles and away from internal combustion engines will contribute to CCC's plans to tackle climate change and improve the environment.

6.6. **Implications for partner organisations?**

UKBIC is based in the Warwick District Council (WDC) municipal area. CCC has supported UKBIC Ltd to ensure that they have a good working relationship with WDC.

Report author(s):
Steve Weir
Strategic Lead for Economic Development

Service Area:
Regeneration and Economy

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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:				
Lara Knight	Governance Services Co-ordinator	Law and Governance	05/03/25	13/03/25
Mike Phillips	Lead Accountant	Finance	18/02/25	20/02/25
Gurbinder Singh Sangha	Corporate & Commercial Lead Lawyer	Legal Services	20/02/25	24/02/25
Names of approvers for submission: (officers and members)				
Finance: Phil Helm	Head of Finance	Finance	03/03/25	04/03/25
Legal: Oluremi Aremu	Head of Legal and Procurement	Legal Services	03/03/25	05/03/25
Director: Barry Hastie	Director of Finance and Resources	-	05/03/25	14/03/25
Members: Cllr G Duggins	Cabinet Member for Policy and Leadership	-		

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

Coventry City Council

Public report
Coventry Shareholder Committee

A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Coventry Shareholder Committee | 26th March 2025

Name of Cabinet Member:
N/a

Director approving submission of the report:
Director of Finance and Resources

Ward(s) affected:
All

Title:

Business Planning Cycle for 2025-26 for the Coventry Municipal Holdings Group

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Is this a key decision?
No

Executive summary:

Coventry Municipal Holdings Limited (CMH) was incorporated in November 2021 as an intermediary parent company within the Council's group structure. As required by the Group Governance Agreement (GGA), CMH along with its subsidiaries, present their Business Plans for the year ahead ending 31st March 2026. This report has been prepared to summarise the key points with the detailed plans appended to the report.

The Business Plans set out some of the operational and forecast financial position for the current year and the budget for next year which, in accordance with the GGA, requires Coventry Shareholder Committee approval to proceed.

Recommendations:

Subject to the consideration of the corresponding private report, the Coventry Shareholder Committee is recommended to:

(1) Approve the Business Plans for Coventry Municipal Holdings Limited which includes Coventry Technical Resources and Coventry Regeneration
(2) Approve the Business Plan for No Ordinary Hospitality Management group
(3) Approve the Business Plan for Tom White group
(4) Approve the group budget for Coventry Municipal Holdings Limited and its subsidiaries.

List of Appendices included:

None - individual entity business plans are appended to the Private Report

Background papers:

None

Other useful documents

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: Business Planning Cycle for 2025-26 for the Coventry Municipal Holdings Group

1. Context (or background)

1.1. Coventry Municipal Holdings (CMH) is required by the Group Governance Agreement (GGA) to present the group business plan for approval by Coventry Shareholder Committee. This Business Plan covers the following companies:

- Coombe Abbey Park Limited (CAPL), the company that operates Coombe Abbey Park Hotel via a long lease from the Council, and subsidiaries:
    - No Ordinary Hospitality Management (NOHM), undertakes management contracts for third parties and provides the trading name for operations within the hospitality and leisure sector.
    - Coombe Abbey Park (LACo), a Teckal company set up to enable contracts to be directly awarded by the Council.
- Coventry Technical Resources (CTR), provides resourcing solutions to the Council via contractual arrangements.
- Coventry Regeneration Limited (CR), set up during the construction of Coventry Arena and continues trading with minimal transactions to preserve historic tax assets which may be usable in the future.
- No Ordinary Hotels Limited (effectively a dormant company)
- Tom White Waste Limited (TW), a commercial waste company, and subsidiaries:
    - A&M Metals & Waste, supports the waste management and recycling activities of the parent company. The company has ceased trading and management plan to liquidate the company in the foreseeable future.
    - Tom White Waste (LACo), a Teckal company set up to enable contracts to be directly awarded by the Council subject to demonstrating best value.

2. Options considered and recommended proposal

2.1. **Option 1: Do not approve the Business Plans** – Without approval of the Business Plans the entities will be working outside of the requirements of the GGA and therefore within the existing budgets and may not be able to move forward with plans they have for 2025/26 or contractual agreements they wish to enter.

2.2. **Option 2: Approve the Business Plans for CMH Ltd and each subsidiary entity** – Each entity has set out their vision, strategic objectives and budgets for 2025/26 and beyond in their individual company business plans. The Business Plans are summarised below along with any other relevant information.

2.2.1. Coventry Municipal Holdings (CMH)

The vision of CMH is to provide excellent governance in accordance with the Group Governance Agreement, derive value from commercial activity to enhance Council services and to have a positive social and environmental impact. CMH also aims to grow the portfolio of company investments as appropriate opportunities arise and to explore the ability to set up an investment fund to support this.

CMH recovers its costs from subsidiaries across the group or the Council. The cost base comprises of staffing costs for management and administrative support provided across the group. The forecast expenditure for CMH is included in the private report. These services are provided at cost, and it is assumed that they will be fully recovered from management recharges across all subsidiaries.

2.2.2. No Ordinary Hospitality Management (NOHM) group

This includes the activities of Coombe Abbey Park Limited (CAPL) which has started to trade under the NOHM brand as a business to business as well as any management contracts with the Council which are provided under Coombe Abbey Park (LACo) Limited (CAPLAC).

The vision for CAPL is for Coombe Abbey Hotel to be a destination of choice for families, business, and events both **regionally** and on the **national stage**. Creating outstanding memorable **experiences** whilst delivering **sustainable financial returns** to its shareholders. This is supported by the three priorities for the coming year:

i. Promote sales growth in the key markets of meetings and conferences, private functions/ events and weddings.
ii. Management control of payroll expenditure and efficiency in the use of resources
iii. Generating revenue through skills and experience

NOHM continues to have significant challenges to profitability due to cost inflation and the changes to payroll affecting national living wage and national insurance and subsequent pay increases for supervisory staff to keep parity, in response to government legislation.

The budgeted revenue for the 2025/26 financial year is on par with the current year.

The budget being proposed is expected to deliver a gross operating profit of £3.3 and after fixed costs and other overheads, the earnings before interest, depreciation and amortisation (EBITDA) also referred to as the cash generated profit is detailed in the private report. The bottom line result, after interest (payable to the Council) and depreciation expenses (non-cash expenditure), is included in the private report. The probability of sustainable dividends over the medium term is low without a capital restructuring of the company. There is a legacy dividend of £0.072m that is due to be paid to the Council, likely payment in 2025/26.

The 2025/26 budget includes income due to the Council from the hotel and other leases, interest payable on commercial loans and a profit share from catering concessions – **this totals a benefit to the Council of £1.22m**.

To support the priorities and stimulate revenue growth several capital investments are being considered for 2025/26. These are detailed in the private report and represent the most significant investments in the Hotels facilities in recent years.

Whilst they are focused on driving revenue growth some are defensive in nature to protect the fabric of the building or protect current revenues. The key investments are:

- Replacement of the hotel goods lift which is beyond its useful life
- Exploring the potential refurbishment of the Garden Room restaurant
- Replacement heating in a bedroom block
- Development of an event space that meets the needs of the market
- Refurbishment of some hotel bedrooms to support the sales of meetings, weddings and events

Further details of capital expenditure are included in the Business Plan appended to the private report.

2.2.3. Tom White (TW) group

The vision of TW is to be a conscious brand with a mission to make a positive environmental and social impact whilst creating shareholder value for distribution into the local community.

Following the sale and lease back transaction in January 2025, the business has strengthened its cash position. The budgeted revenue for TW in 25/26 and 26/27 includes assumed sales growth across the various modes of waste collection and is detailed in the business plan appended to the Private report.

The budgeted cash generated profit (EBITDA) position, after fixed costs and overheads is included in the Private report. It is higher partly impacted by a change in the accounting treatment for leases, which has inflated the cash generated profit. This is explained in more detail in the Tom Whites business plan appended to the private report.

The balance sheet has been affected by the implementation of IFRS 16 – accounting for leases. This accounting standard moves the cost of the lease from the profit and loss account (which would have reflected lease costs for the 12month period) to the balance sheet as the total value of the lease liability over the term of the lease. This lease liability would reduce over time as lease payments are made, with part of the lease payment going to towards interest costs and part of it being used to reduce the lease liability on the balance sheet.

The balance sheet has an asset at the total value of lease payments. The asset would be reduced over the time on a straight-line basis (equal amount each month) to the end of lease period. There is a difference between the rate that the lease liability is paid down and the rate of depreciation. More details are included in the business plan to explain this position (appended to the Private Report).

The loan that Tom Whites has with the Council will be fully repaid by December 2025. **The Council will receive a commercial rent from the lease arrangement.**

Further details of capital expenditure are included in the Business Plan appended to the private report.

2.2.4. Coventry Technical Resources Limited (CTR)

The vision of CTR is to provide resource solutions to the Council either via direct employment or via contract as required by the Council. The costs of all resource deployed is reimbursed by the Council. The posts in CTR have supported a range of projects including the Children's Services Transformation Programme, the Care Facility Project and increasing revenue from sponsorship and advertising.

The CTR budget assumes that no additional posts will be added and that inflationary costs will be up to 5% per annum. The forecast cost base, including a small profit margin is included in the revenue recovered from contracts with the Council.

When the Council disposed of its shares in Arena Coventry Limited (ACL) for £2.7m on 8th October 2014 the funds from the transaction were received by CTR. This cash remains on the company balance sheet and can be paid to the Council as a dividend when required. The Council have previously managed the cash on behalf of CTR to generate interest income.

2.2.5. Coventry Regeneration Limited

This company is effectively dormant but is still audited and has other financial administration costs. All the costs of operation are covered by CMH by way of a working capital grant.

CR retains a loan balance of the £5,000 which the company refinanced with CMH in 2024/25. This loan has been provided on the same terms as the loan was previously.

There is no other planned activity due to take part in CR in 25/26. The Directors will review if the company requires an audit going forward based on the limited transactions that take place within the company. This would reduce the financial costs of operation.

2.2.6. CMH Group Position

The consolidated financial position across the group is detailed in the Private report.

3. Results of consultation undertaken

3.1. No consultation undertaken.

4. Timetable for implementing this decision

4.1. Upon approval the Business Plans will be used to set the Budget for 2025/26 for each entity.

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

5.1. Financial Implications

Based on the current financial projections, the companies are not forecasting to pay any dividends during 2025/26, but this will be monitored throughout the year. For any dividends to be declared a positive balance is required on the retained earnings/ profit and loss reserve and the company needs to have sufficient cash to pay any dividends.

The cash balance of £2.7m held by CTR from the sale of the shares in ACL can be paid when required by the Council.

The budgets include various transactions involving the Council, which are governed by existing contractual agreements. There are no requests for any new financing from the Council in the 2025/26 budgets. CAPL will continue to access the existing financing in place with the Council and may seek external financing for the proposed Abbeygate redevelopment.

5.2. Legal Implications

The decisions which are being made comply with the Terms of Reference of Coventry Shareholder Committee and align with the GGA and the Delegations Policy.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

The future dividend revenue declared by the entities in the group of companies will support the Council to deliver its core aims. The operations of TW will deliver environmental benefits through greater recycling and extraction of recyclable materials. The operations of NOHM, including Coombe Abbey Hotel, will 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. There is a risk in relation to the Council's commercial investments and the role that CMH plays in mitigating this risk on the Council's Corporate Risk Register.

6.3. What is the impact on the organisation?

The Council has various contractual agreements with entities within the CMH group including resourcing solutions from CTR which impacts on staffing and the long term lease of Coombe Abbey Hotel to CAPL which impacts on the Council's assets. The Council may receive dividends subject to declaration by the respective company boards.

6.4. Equalities / EIA?

No Equalities Impact Assessment (EIA) has been undertaken.

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

TW have improved their compliance standards, achieving A grade operator status from the Environment Agency, and it is a strategic objective of the company to continue to reduce the carbon footprint of operations by installing LED lighting across the sites and phasing out older less fuel efficient assets.

CAPL have moved from single use guest supplies in bedrooms to refillable dispensers, which has resulted in cost savings and environmental benefits. CAPL are upgrading the heating system in the Park Priory bedroom block to improve energy efficiency and customer experience.

6.6. **Implications for partner organisations?**

Any impact on partner organisations has been covered in the Business Plans.

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Agenda Item 11

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