

Appendix 5

REGISTERED NUMBER: 04523598 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
COVENTRY REGENERATION LIMITED**



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for the year ended 31 March 2022**

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COVENTRY REGENERATION LIMITED

COMPANY INFORMATION
for the year ended 31 March 2022

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 2022**

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

CHANGE OF NAME

The company passed a special resolution on 3 November 2021 changing its name from Coventry North Regeneration Limited to Coventry Regeneration Limited.

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 on the 1st December 2023.

The revenue expenditure incurred by the company during the financial year has been in respect of Company fees and interest.

The accounts have been prepared under International Financial Reporting Standards (IFRS). The results for the year show a profit of £1 (2021: £2).

DIVIDENDS

No dividends will be paid out for the year ended 31 March 2022.

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

Mr P Helm has held office during the whole of the period from 1 April 2021 to the date of this report.

Other changes in directors holding office are as follows:

Mr R Moon - resigned 2 November 2021

Mr A Walster - appointed 2 November 2021

Mrs P Mudhar - appointed 2 November 2021

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.

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**REPORT OF THE DIRECTORS
for the year ended 31 March 2022**

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.

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 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 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 sole shareholder, at that time (Coventry City Council), passed an elective resolution on 1 October 2004 to dispense with the holding of Annual General Meetings, the laying of accounts before the Company in general meeting and appointment of auditors annually.

BY ORDER OF THE BOARD:

.....
Mrs P Mudhar - Director

Date: 6th December 2022

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 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the 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 company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the UK; 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.

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.

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 delivery 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 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 Auditors' Report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
COVENTRY REGENERATION LIMITED**

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

Date: 6/12/22

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2022

	Notes	2022 £	2021 £
CONTINUING OPERATIONS			
Revenue		-	-
Other operating income	3	2,935	2,590
Administrative expenses		(2,862)	(2,522)
OPERATING PROFIT		<u>73</u>	<u>68</u>
Interest payable	5	(72)	(68)
Interest receivable	5	-	2
PROFIT BEFORE INCOME TAX	6	<u>1</u>	<u>2</u>
Income tax	7	-	-
PROFIT FOR THE YEAR		<u>1</u>	<u>2</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>1</u></u>	<u><u>2</u></u>

The notes form part of these financial statements

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**STATEMENT OF FINANCIAL POSITION
31 March 2022**

	Notes	2022 £	2021 £
ASSETS			
CURRENT ASSETS			
Trade and other receivables	9	2,378	2,237
Cash and cash equivalents	10	5,048	5,047
		<u>7,426</u>	<u>7,284</u>
TOTAL ASSETS		<u><u>7,426</u></u>	<u><u>7,284</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	11	5	5
Share premium	12	31,430,995	31,430,995
Profit and loss account	12	(31,430,952)	(31,430,953)
TOTAL EQUITY		<u>48</u>	<u>47</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Borrowings	14	5,000	5,000
CURRENT LIABILITIES			
Trade and other payables	13	2,378	2,237
TOTAL LIABILITIES		<u>7,378</u>	<u>7,237</u>
TOTAL EQUITY AND LIABILITIES		<u><u>7,426</u></u>	<u><u>7,284</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on ~~6th December 2022~~ and were signed on its behalf by:

.....
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 2022**

	Called up share capital £	Profit and loss account £	Share premium £	Total equity £
Balance at 1 April 2020	5	(31,430,955)	31,430,995	45
Changes in equity				
Total comprehensive income	-	2	-	2
Balance at 31 March 2021	<u>5</u>	<u>(31,430,953)</u>	<u>31,430,995</u>	<u>47</u>
Changes in equity				
Total comprehensive income	-	1	-	1
Balance at 31 March 2022	<u><u>5</u></u>	<u><u>(31,430,952)</u></u>	<u><u>31,430,995</u></u>	<u><u>48</u></u>

The notes form part of these financial statements

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**STATEMENT OF CASH FLOWS
for the year ended 31 March 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	73	68
Interest paid		(72)	(68)
Net cash from operating activities		<u>1</u>	<u>-</u>
Cash flows from investing activities			
Interest received		-	2
Net cash from investing activities		<u>-</u>	<u>2</u>
Increase in cash and cash equivalents		<u>1</u>	<u>2</u>
Cash and cash equivalents at beginning of year	2	5,047	5,045
Cash and cash equivalents at end of year	2	<u>5,048</u>	<u>5,047</u>

The notes form part of these financial statements

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**NOTES TO THE STATEMENT OF CASH FLOWS
for the year ended 31 March 2022**

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

	2022	2021
	£	£
Profit before income tax	1	2
Interest payable	72	68
Interest receivable	-	(2)
	<u>73</u>	<u>68</u>
(Increase)/decrease in trade and other receivables	(141)	6
Increase/(decrease) in trade and other payables	141	(6)
	<u>73</u>	<u>68</u>
Cash generated from operations	<u>73</u>	<u>68</u>

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 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	<u>5,048</u>	<u>5,047</u>

Year ended 31 March 2021

	31.3.21	1.4.20
	£	£
Cash and cash equivalents	<u>5,047</u>	<u>5,045</u>

The notes form part of these financial statements

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022**

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 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.

Going Concern

The financial statements have been prepared on a going concern basis and the validity of this depends upon the continuing financial support of the ultimate parent organisation of Coventry City Council.

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 rebates and other similar allowances. The policies adopted for the recognition of revenue are as follows:

Rendering of services - When the outcome of a transaction can be estimated reliably, revenue is recognised at the balance sheet date.

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.

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.

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022

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 statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Adoption of new and revised international financial reporting standards

The Company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Boards (the IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 April 2021.

3. OTHER OPERATING INCOME

	2022	2021
	£	£
Contributions received	<u>2,935</u>	<u>2,590</u>

The company receives contributions from Coventry City Council to support its payments, with any excess needing to be repaid.

4. EMPLOYEES AND DIRECTORS

The company had no employees during the financial year. No emoluments were received by the Directors for the year ended 31st March 2022.

5. NET FINANCE COSTS

	2022	2021
	£	£
Interest payable on loans	72	68
Interest received	0	2

6. PROFIT BEFORE INCOME TAX

The profit before income tax is stated after charging:

	2022	2021
	£	£
Auditors' remuneration	<u>2,378</u>	<u>2,237</u>

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

7. INCOME TAX

	2021 £	2020 £
UK corporation tax at 19%	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	2	10
	<u>2</u>	<u>10</u>
Theoretical tax charge at UK corporation tax rate of 19%	-	2
Effects of:		
Impairment of property, plant and equipment	-	-
Non deductible expenses	-	-
Capital allowances in excess of depreciation	-	-
Unutilised losses	-	(2)
Capital deferred grants	-	-
	<u>-</u>	<u>-</u>
Current tax charge for year	-	-
	<u>-</u>	<u>-</u>

8. ADMINISTRATIVE EXPENSES

Administrative expenses total £2,862 (£2,522 in 2021) and comprise:

	2022 £	2021 £
Payments to Coventry City Council	-	-
Auditor remuneration	2,378	2,237
Payments to Coventry Technical Resources Ltd	484	285
	<u>2,862</u>	<u>2,522</u>

Auditor remuneration includes £230 in respect of non-audit services (2021: £230).

9. TRADE AND OTHER RECEIVABLES

	2022 £	2021 £
Current:		
Trade receivables	2,378	2,237
	<u>2,378</u>	<u>2,237</u>

Trade receivables of £2,378 represent amounts due from Coventry City Council (2021: £2,237).

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

10. CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Bank accounts	<u>5,048</u>	<u>5,047</u>

The company has retained a balance of £5,000 from the loan provided by Coventry City Council. This has been placed in a savings account until it is due for repayment on the 1 December 2023. Interest of £47 has been earned in the savings account.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2022	2021
			£	£
5	Ordinary	£1	<u>5</u>	<u>5</u>

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

	Profit and loss account	Share premium	Totals
	£	£	£
At 1 April 2021	(31,430,953)	31,430,995	42
Profit for the year	<u>1</u>		<u>1</u>
At 31 March 2022	<u>(31,430,952)</u>	<u>31,430,995</u>	<u>43</u>

13. TRADE AND OTHER PAYABLES

	2022	2021
	£	£
Current:		
Accruals and deferred income	<u>2,378</u>	<u>2,237</u>

14. FINANCIAL LIABILITIES - BORROWINGS

	2022	2021
	£	£
Non-current:		
Loan	<u>5,000</u>	<u>5,000</u>

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

14. FINANCIAL LIABILITIES - BORROWINGS - continued

Terms and debt repayment schedule

	1-2 years
Loan	£ <u>5,000</u>

Coventry City Council agreed to provide the Company with time-limited cashflow assistance of up to £1m (at an interest rate of base rate plus 1.25% per annum). £5,000 was retained in a savings account, this is due for repayment on 1 December 2023.

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

15. FINANCIAL INSTRUMENTS

(i) Categories of Financial Instruments

	2022 £	2021 £
FINANCIAL ASSETS		
Trade and other receivables	2,378	2,237
Cash and cash equivalents	5,048	5,047
	<u>7,426</u>	<u>7,284</u>
FINANCIAL LIABILITIES		
Trade, other payables and long term borrowing	<u>7,378</u>	<u>7,237</u>

(ii) Capital Risk Management

The Company manages its capital to ensure that it will be able to continue as a going concern. The capital structure of the Company consists of debt, which includes the borrowings, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity.

(iii) Financial risk management policies

The main market risks to which the Company is exposed are interest rates. There is also exposure to credit risk and liquidity risk. The Company monitors these risks and will take appropriate action to minimise any exposure.

(iv) Credit risk

The Company controls its exposure to credit risk by setting limits on its exposure to individual customers and compliance is monitored by management. As part of the process of setting customer credit limits, different external credit reference agencies are used, according to the country of the customer. There are no significant concentrations of credit risk.

The table below illustrates the financial assets ageing analysis:

	2022 £	2021 £
Financial assets		
Less than 30 days	<u>7,426</u>	<u>7,284</u>
	<u>7,426</u>	<u>7,284</u>

(v) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors who have considered an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

COVENTRY REGENERATION LIMITED (REGISTERED NUMBER: 04523598)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2022**

16. RELATED PARTY DISCLOSURES

At 31st March 2022 the company was owed £2,378 (2021: £2,237) from Coventry City Council, the ultimate controlling party.

During the year the Company received contributions of £2,935 (2021: £2,590) from Coventry City Council, the ultimate controlling party.

17. POST BALANCE SHEET EVENTS

There are no significant events after the Balance sheet date.

18. ULTIMATE PARENT COMPANY

The Company's ultimate parent undertaking and controlling party is Coventry City Council. Copies of the consolidated financial statements of Coventry City Council can be located at the following address:

Director of Finance and Corporate Services
Coventry City Council
Council House
Earl Street
Coventry
CV1 5RR

19. DEFERRED TAXATION

A deferred tax asset of £1,059,625 (2021: £1,059,625) in respect of tax losses has not been recognised in the financial statements as the losses are not expected to be utilised in the foreseeable future. The deferred tax asset has been calculated using the corporation tax rate substantively enacted at the balance sheet date of 19% (2021: 19%).