

Registered number: 03296443

# MILLENNIUM POINT PROPERTY LIMITED

## DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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## **MILLENNIUM POINT PROPERTY LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	D Storer S Topman I Cornock
<b>Company secretary</b>	Gateley Secretaries Limited
<b>Registered number</b>	03296443
<b>Registered office</b>	Millennium Point Curzon Street Birmingham B4 7XG
<b>Independent auditors</b>	Cooper Parry Group Limited Statutory Auditor Cubo Birmingham Office 401, 4th Floor Two Chamberlain Square Birmingham B3 3AX
<b>Bankers</b>	Barclays Bank Plc Birmingham B3 2BY
<b>Solicitors</b>	Gateley Plc 111 Edmund Street Birmingham B3 2HJ

# **MILLENNIUM POINT PROPERTY LIMITED**

## **CONTENTS**

	<b>Page</b>
<b>Directors' Report</b>	<b>1 - 4</b>
<b>Independent Auditors' Report</b>	<b>5 - 8</b>
<b>Statement of Income and Retained Earnings</b>	<b>9</b>
<b>Balance Sheet</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11 - 23</b>

## **MILLENNIUM POINT PROPERTY LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements 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 to 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.

#### **Principal activity**

The principal activities of the company Millennium Point Property Limited ("MPPL") are to lease and maintain a property portfolio of office, leisure, education and retail accommodation together with an associated carpark and operate events within the building Millennium Point. The company's work generates income for Millennium Point Trust ("MPT") - a charity established to educate and promote the public's understanding in themes and processes relating to science, technology, engineering and manufacturing and how they shape the development of the world around us.

#### **Company Structure**

##### *Constitution*

The Company was incorporated as a private limited company on 19 December 1996. The company registration number is 03296443.

##### *Parent Company*

Millennium Point Trust, a company limited by guarantee and a registered charity, is the ultimate parent company.

## **MILLENNIUM POINT PROPERTY LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### **Review of developments**

##### *General*

The building is an established iconic building in Birmingham and a centre for discovery and learning which is home to several of the city's leading institutions.

Millennium Point as a building is now at a pivotal period in its life cycle whereby it requires investment if it is to be sustainable, attract new tenants and maintain a low service charge. Enquiries have started with a consortium with the prospect of a redevelopment to ensure the longevity of Millennium Point.

The aim of the future development of the building is to increase income and so protect the Trust and allow for the Trust to continue with its grant making and other charitable activities.

##### **Gift Aid**

In 2023, the gift aid payment to Millennium Point Trust amounted to £579k allowing the parent company to fulfil its charitable objectives.

#### **Property Developments**

Millennium Point Property Limited as at 31 March 2023 is 91% let. Birmingham City University vacated some units within the building and the short term lets for both Birmingham Ormiston Academy and University Hospitals Birmingham NHS Foundation Trust came to an end during 2022/23 financial year.

The tenants of Millennium Point Property Limited during the financial year were:

- Thinktank science museum (Birmingham Museums Trust)
- Birmingham City University (faculty of computing, engineering, and the built environment)
- STEAMHouse
- Mullino Café
- Birmingham Ormiston Academy
- University Hospitals Birmingham NHS Foundation Trust

#### **Events and engagement**

Having experienced two years of restrictions due to the global pandemic, 2022/23 was the first financial year whereby the events business operated without Government restrictions. The year has been a successful year and has exceeded expectations with a notable increase in the size and frequency of events held at Millennium Point. This is due to a combination of investment into our events spaces during lockdown, our focus on delivering exceptional customer service, and the increase in appetite of businesses to return to in-person networking, training and development for their employees and clients. Throughout the year Millennium Point Property Limited has hosted several successful events including:

- Kenyan Village for the Commonwealth Games
- Birmingham Music Awards VIP Launch event
- Birmingham Film Festival
- National Apprenticeship Expo
- VS Fighting Gaming Tournaments

As well as corporate business Millennium Point Property Limited has also expanded its leisure business with the successful delivery of the following events:

- 'Love Actually' Bottomless Brunch
- 'It's a Wonderful Life' with wine
- Silent Disco
- Joiner Christmas parties

## **MILLENNIUM POINT PROPERTY LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

Millennium Point Property Limited's events business also operates to host events on behalf of its charitable parent company, Millennium Point Trust. Throughout the year, the events business has hosted the following events on behalf of the trust:

- Millennium Point Trust Sci-Sports Showcase.
- Millennium Point Trust STEM Roundtable.
- Millennium Point Trust Scholarship Assessment Day.
- Annual Christmas film and visit from Father Christmas for local school children.
- Annual Christmas event for key supporters of Millennium Point Trust including a performance from the cast of Dream Girls (who were resident at The Alexandra Theatre, Birmingham).

#### **Directors**

The directors who served during the year were:

D Storer  
S Topman  
I Cornock

#### **Future developments**

The Eastside of Birmingham has undergone significant investment over the last 20+ years and continues to grow with the arrival of Birmingham HS2 station on Curzon Street. The area has seen significant expansion of educational establishments, namely Birmingham City University, Aston University, The Royal Conservatoire, Birmingham Metropolitan College and the Greater Birmingham and Solihull Institute of Technology. Birmingham Science Park is also undergoing expansion, attracting more tech start-up businesses and dynamic businesses to the area. All this activity has led to the Eastside being designated as Birmingham's Knowledge Quarter. Millennium Point is set to play a major role in the Knowledge Quarter focusing on becoming a beacon where industry, education, and young people come together to collaborate and make a real difference to both the future of young people and the West Midlands' economy.

A feasibility study has been undertaken on the future design of the Millennium Point building to achieve its vision and discussions with key stakeholders are ongoing. The priorities include:

- Investing in the building – it is time to reimagine and repurpose for the next generation and upgrade for the future, particularly with environmental responsibility and energy efficiency in mind.
- Greater impact of the Millennium Point brand.
- Generating and maintaining income to enable Millennium Point Trust to continue its objectives in advancing STEM within the West Midlands region.

**MILLENNIUM POINT PROPERTY LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

**Disclosure of information to auditors**

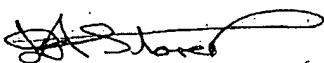
**Auditors**

The auditors, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**D Storer**  
Director

Date: 14 July 2023

## **MILLENNIUM POINT PROPERTY LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MILLENNIUM POINT PROPERTY LIMITED**

#### **Opinion**

We have audited the financial statements of Millennium Point Property Limited (the 'company') for the year ended 31 March 2023, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 2023 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 United Kingdom, including the Financial Reporting Council'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 other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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.



## **MILLENNIUM POINT PROPERTY LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MILLENNIUM POINT PROPERTY LIMITED (CONTINUED)**

#### **Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 is 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.

## MILLENNIUM POINT PROPERTY LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MILLENNIUM POINT PROPERTY LIMITED (CONTINUED)

#### 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focused on key laws and regulations the entity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to the following:

- obtaining an understanding of the legal and regulatory framework applicable to the company and how the Company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the company's control environment and how the company has applied relevant control procedures, through discussions with directors and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

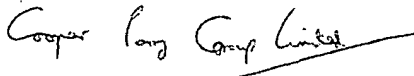
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**MILLENNIUM POINT PROPERTY LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MILLENNIUM POINT PROPERTY LIMITED  
(CONTINUED)**

**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.



Glen Bott FCA (Senior Statutory Auditor)  
for and on behalf of  
**Cooper Parry Group Limited**  
Statutory Auditor  
Cubo Birmingham  
Office 401, 4th Floor  
Two, Chamberlain Square  
Birmingham  
B3 3AX  
Date: 15 August 2023

**MILLENNIUM POINT PROPERTY LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £000	2022 £000
Turnover		8,882	7,008
<b>Gross profit</b>		8,882	7,008
Administrative expenses		(6,464)	(4,932)
<b>Operating profit</b>	4	2,418	2,076
Interest receivable and similar income		111	7
Interest payable and similar expenses	7	(371)	(371)
Gain / (loss) on revaluation of investment property		(1,850)	611
<b>Profit after tax</b>		308	2,323
Retained earnings at the beginning of the year		42,637	41,015
		42,637	41,015
Profit for the year		308	2,323
Gift aid paid		(579)	(701)
<b>Retained earnings at the end of the year</b>		42,366	42,637

The notes on pages 11 to 23 form part of these financial statements.

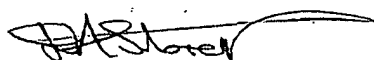
**MILLENNIUM POINT PROPERTY LIMITED**  
**REGISTERED NUMBER: 03296443**

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible assets	8	224	213
Investment property	9	47,560	49,410
		<u>47,784</u>	<u>49,623</u>
<b>Current assets</b>			
Stocks	10	12	10
Debtors	11	853	936
Cash at bank and in hand	12	7,926	6,839
		<u>8,791</u>	<u>7,785</u>
Creditors: amounts falling due within one year	13	(2,627)	(3,189)
<b>Net current assets</b>		<u>6,164</u>	<u>4,596</u>
<b>Total assets less current liabilities</b>		<u>53,948</u>	<u>54,219</u>
Creditors: amounts falling due after more than one year	14	(11,582)	(11,582)
<b>Net assets</b>		<u><u>42,366</u></u>	<u><u>42,637</u></u>
<b>Capital and reserves</b>			
Profit and loss account		<u><u>42,366</u></u>	<u><u>42,637</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**D Storer**  
Director

Date: 14 July 2023

The notes on pages 11 to 23 form part of these financial statements.

## **MILLENNIUM POINT PROPERTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. General information**

Millennium Point Property Limited is a private limited liability company, by shares, incorporated on 19 December 1996 and domiciled in the United Kingdom. The address of its registered office is shown on page 1. The company registration number is 03296443.

Millennium Point Trust, a company limited by guarantee and registered charity, is the ultimate parent company.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Exemptions**

As permitted by FRS 102 section 1.12, the company has taken advantage of the disclosure exemptions available under that standard in relation to the presentation of a cash flow statement and the aggregate remuneration of key management personnel. Where required, equivalent disclosures are given in the group accounts of Millennium Point Trust. The group accounts of Millennium Point Trust are available to the public and can be obtained as set out in note 20.

##### **2.3 Going concern**

The directors believe we have now come through the worst of the pandemic as things are returning to some sort of normality. Nevertheless, if things were to change again, we are well placed to trade through these uncertain times due to the quality and diversity of our tenants, security of our rental income and our strong cash balance at year end.

On this basis the directors are confident that the company has adequate resources to continue in operation and have adopted the going concern basis in preparing these financial statements.

## **MILLENNIUM POINT PROPERTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **2. Accounting policies (continued)**

##### **2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### **2.5 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **2.6 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

## MILLENNIUM POINT PROPERTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Assets under construction	- not depreciated
Fixtures and fittings	- 3-10 years straight line
Computer equipment	- 1-3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 2.7 Investment property

The company engaged independent valuation specialists to determine fair value at 31 March 2023. The valuation was made as at 31 March 2023. The valuation has been carried out in accordance with the RICS Valuation Global Standards effective from 31 January 2022 ("Red Book"). The valuation practice statement 4 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Further detail is disclosed at note 9.

##### 2.8 Stocks

Stocks are stated at the lower of cost and net realisable value.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### 2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions. Cash equivalents are highly liquid investments held on deposit for a minimum of 95 days. These are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.



## **MILLENNIUM POINT PROPERTY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **2. Accounting policies (continued)**

##### **2.12 Finance costs**

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.13 Pensions**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.14 Interest income**

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

##### **2.15 Borrowing costs**

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

##### **2.16 Financial Instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

##### **2.17 Service charge activities**

Service charge income includes service charges, directly recoverable expenditure and management fees. Revenue from these services is recognised by reference to the date of completion of the relevant service at the reporting date.

Balances held in respect of service charge activities are included within the assets and liabilities of the company.

## MILLENNIUM POINT PROPERTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 2. Accounting policies (continued)

##### 2.18 Gift aid payment to parent charity

The company pays part of its taxable profits for the reporting period to its parent charity under the gift aid scheme. These gift aid payments are recognised as distributions to owners in equity within retained earnings.

At the reporting date there was no legal obligation in place for the company to make this gift aid payment, although prior to the reporting date the board had indicated its intention to pay the taxable profits to the parent charity in respect of the reporting date.

There is no tax charge in the year due to the exception under paragraph 29.14A of FRS 102. Relief is allowed as the gift aid payment will be made by the company to the parent charity within 9 months of the year end.

#### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

In preparing these financial statements, the directors have made the following judgements:

##### Leases

Determine whether leases entered into by the group either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

##### Impairment of non-current assets

The company assesses the impairment of property, plant and equipment subject to amortisation or depreciation whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

- Significant underperformance relative to historical or projected future operating results;
- Significant changes in the manner of the use of the acquired assets or the strategy for the overall business; and
- Significant negative industry or economic trends.

##### Impairment of investment property

The company reviews the carrying value of the investment property for indications of impairment at each period end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usually involve the estimation of future cash flows which are likely to be generated by the asset.

The following are the company's key sources of estimation uncertainty:

##### Recoverability of trade debtors

Trade and other receivables are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

## MILLENNIUM POINT PROPERTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 3. Judgements in applying accounting policies (continued)

Management makes allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

##### Depreciation and residual values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projects disposal values.

##### Investment properties

The company engaged independent valuation specialists to determine fair value at 31 March 2023. The valuer used a valuation technique based on a discounted cash flow model as there is a lack of comparable market data because of the nature of the property. The determined fair value of the investment property is most sensitive to the estimated yield as well as the long term vacancy rate.

Investment properties are professionally valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

#### 4. Operating profit

The operating profit is stated after charging:

	2023 £000	2022 £000
Operating lease rentals receivable	(2,696)	(2,831)
Depreciation of tangible assets	120	80
Other operating lease rentals	18	13
Non-audit fees	4	7

**MILLENNIUM POINT PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**5. Turnover**

An analysis of turnover by class of business is as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Rent receivable - service charges	2,944	2,071
Rental income	2,696	2,831
Car park income	541	482
Events income	1,174	779
Utilities and other recharges	1,042	845
Other Income	485	-
	<u>8,882</u>	<u>7,008</u>

**6. Employees**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	824	653
Social security costs	89	92
Cost of defined contribution scheme	30	22
	<u>943</u>	<u>767</u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Finance and administration	4	4
Operational	19	14
Management	5	5
	<u>28</u>	<u>23</u>

**7. Interest payable and similar expenses**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Bank interest payable	371	371
	<u>371</u>	<u>371</u>

MILLENNIUM POINT PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

8. Tangible fixed assets

	Fixtures and fittings £000	Computer equipment £000	Assets under construction £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2022	364	64	31	459
Additions	43	88	-	131
Transfers between classes	31	-	(31)	-
At 31 March 2023	438	152	-	590
<b>Depreciation</b>				
At 1 April 2022	195	51	-	246
Charge for the year on owned assets	79	41	-	120
At 31 March 2023	274	92	-	366
<b>Net book value</b>				
At 31 March 2023	164	60	-	224
At 31 March 2022	169	13	31	213

**MILLENNIUM POINT PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**9. Investment property**

	Freehold investment property £000	Freehold investment property improvements £000	Total £000
<b>Valuation</b>			
At 1 April 2022	49,410	-	49,410
Loss on revaluation	(1,850)	-	(1,850)
<b>At 31 March 2023</b>	<u>47,560</u>	<u>-</u>	<u>47,560</u>

The majority of the land on which the project is constructed is currently owned by Birmingham City Council. A long lease has been granted to the company at a peppercorn rent.

The investment property was revalued in the year on 31 March 2023.

Currently the company occupies 0.68% of the total square footage of the investment property. Applying this percentage to the fair value at year end would amount to £324,951. The occupancy and estimated fair value is not material and therefore no amount is to be recognised within Freehold Land and Buildings.

The 31 March 2023 valuations were made by F J Mellor BSc MRICS RICS of Harris Lamb Property Consultants Limited, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2023 £000	2022 £000
Historic cost	69,611	69,611
Accumulated depreciation and impairments	(10,438)	(9,974)
	<u>59,173</u>	<u>59,637</u>

**10. Stocks**

	2023 £000	2022 £000
Consumables	12	10
	<u>12</u>	<u>10</u>

MILLENNIUM POINT PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

11. Debtors

	2023 £000	2022 £000
Trade debtors	725	810
Amounts owed by group undertakings	2	-
Prepayments and accrued income	126	126
	<u>853</u>	<u>936</u>

12. Cash and cash equivalents

	2023 £000	2022 £000
Cash at bank and in hand	<u>7,926</u>	<u>6,839</u>

13. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	401	425
Amounts owed to group undertakings	-	2
Other taxation and social security	127	145
Other creditors	4	2
Accruals and deferred income	2,095	2,615
	<u>2,627</u>	<u>3,189</u>

**MILLENNIUM POINT PROPERTY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**14. Creditors: Amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Other loans	11,582	11,582

The following liabilities were secured:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Other loans	11,582	11,582

Details of security provided:

The loan comprises a loan from Birmingham City Council, which was amended on 19 March 2018. The loan bears interest at 3.2% per annum and is repayable over 10 years, commencing 1 April 2018. Under the new agreement only interest payments are payable until 1 April 2025, thereafter capital repayments of £1m per annum are payable until the final capital balance is repayable on 1 April 2028.

It is secured by way of a fixed and floating charge over the assets of the company ranking pari passu with the debenture granted to Millennium Commission referred to below.

Debenture

The company was granted a debenture over its assets to the Millennium Commission to secure all monies owing to the Commission by the company and its parent under the terms of a grant agreement dated 30 June 1997.

Total secured liabilities at 31 March 2023 are £11,582k (2022: £11,582k).

**15. Financial instruments**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	8,651	7,649
<b>Financial liabilities</b>		
Other financial liabilities measured at fair value through profit or loss	(11,987)	(12,009)

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand, trade debtors and other debtors.

Other financial liabilities measured at fair value through profit or loss comprise trade creditors, other loans and other creditors.



# MILLENNIUM POINT PROPERTY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 16. Capital commitments

As at the year end, the Company had capital commitments totalling nil (2022: £30k).

### 17. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £29,186 (2022 - £22,442). The pension creditor totalling £4,076 (2022 - £3,427) were payable to the fund at the balance sheet date.

### 18. Commitments under operating leases

#### Operating leases as a lessee

At 31 March 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £000	2022 £000
Not later than 1 year	13	19
Later than 1 year and not later than 5 years	16	6
	<u>29</u>	<u>25</u>

#### Operating leases as a lessor

At 31 March 2023 the company had future minimum lease receipts under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Not later than 1 year	2,040	2,117
Later than 1 year and not later than 5 years	6,983	6,746
Later than 5 years	799,259	809,662
	<u>808,282</u>	<u>818,525</u>

## MILLENNIUM POINT PROPERTY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 19. Related party transactions

A number of the directors of Millennium Point Property Limited and members of its parent company Millennium Point Trust have interests in organisations which have provided services to the company in the period. The directors of Millennium Point Property Limited have considered the disclosure requirements of Financial Reporting Standard 102, section 33, and consider that the transactions requiring disclosure are as follows:

Birmingham City Council, a member of Millennium Point Trust, made loans to the company during 2005/06 of £16,375,000. Capital repayments in the year amounted to £Nil (2022: £Nil) and at the year end the capital balance outstanding on this loan was £11,582,248 (2022: £11,582,248). During the year interest of £370,632 (2022: £370,632) was charged of which £Nil (2021: £Nil) remains outstanding at the year end. During the year the company also received income of £537,219 (2022: £478,418) as compensation for loss of car park income and paid expenditure amounting to £180 (2022: £7,047) for services received.

Birmingham City University is a member of Millennium Point Trust. During the year, charges totalling £3,983,141 (2022: £3,247,877) were made by the company in respect of rent, service charges and other rechargeable costs on an arms length basis. Millennium Point Property Limited paid expenditure amounting to £11,310 (2022: £32,700) for services received. At the year end an amount of £98,977 (2022: £175,162) was due from Birmingham City University.

Birmingham Chamber of Commerce and Industry is a member of Millennium Point Trust. During the year, the company paid £13,650 (2022: £13,785) to Birmingham Chamber of Commerce and Industry in respect of patronage and membership fees, sponsorship and advertising fees.

During the year the group paid £30k (2022: £30k) to JLL in professional fees. This organisation is related as I Cornock is a Lead Director for the Midlands within JLL.

#### 20. Controlling party

The company's ultimate controlling parent company is Millennium Point Trust (a charitable company limited by guarantee). Copies of the group financial statements are available from Millennium Point, Curzon Street, Digbeth, Birmingham, B4 7XG.

#### 21. Service charge balances

Included within cash at bank and in hand of £7,926,478 (2022: £6,838,895) are balances of £700,734 (2022: £840,674) in respect of service charge accounts. These balances are held on trust by the company for the tenants of Millennium Point.