

Company Registration No. 09621110 (England and Wales)

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

PAGES FOR FILING WITH REGISTRAR

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 7

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		1,042,712		1,134,241
Current assets					
Debtors	4	247,550		476,613	
Cash at bank and in hand		806,964		784,269	
		<u>1,054,514</u>		<u>1,260,882</u>	
Creditors: amounts falling due within one year	5	<u>(1,900,187)</u>		<u>(2,165,547)</u>	
Net current liabilities			(845,673)		(904,665)
Total assets less current liabilities			<u>197,039</u>		<u>229,576</u>
Creditors: amounts falling due after more than one year	6		(99,755)		(123,384)
Net assets			<u>97,284</u>		<u>106,192</u>
Capital and reserves					
Called up share capital	7		200		200
Profit and loss reserves			97,084		105,992
Total equity			<u>97,284</u>		<u>106,192</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2019

The financial statements were approved by the board of directors and authorised for issue on 19 June 2020 and are signed on its behalf by:

Mr Keith Simpson
Director

Company Registration No. 09621110

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

Company information

Birmingham Wholesale Market Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 37, The Hub, Nobel Way, Witton, B6 7EU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Plant and machinery	20 years
Fixtures and fittings	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its 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 and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

(Continued)

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2018 - 2).

3 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 October 2018 and 30 September 2019	1,024,396	201,544	1,225,940
Depreciation and impairment			
At 1 October 2018	51,220	40,479	91,699
Depreciation charged in the year	51,220	40,309	91,529
At 30 September 2019	102,440	80,788	183,228
Carrying amount			
At 30 September 2019	921,956	120,756	1,042,712
At 30 September 2018	973,176	161,065	1,134,241

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

3 Tangible fixed assets (Continued)

The only assets in fixtures and fittings are CCTV equipment,

4 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	247,350	476,413
Other debtors	200	200
	<u>247,550</u>	<u>476,613</u>

5 Creditors: amounts falling due within one year

	2019	2018
	£	£
Obligations under finance leases	23,629	23,629
Trade creditors	107,839	190,828
Taxation and social security	12,653	28,061
Government grants	891,772	941,315
Other creditors	193,697	150,422
Accruals and deferred income	670,597	831,292
	<u>1,900,187</u>	<u>2,165,547</u>

Government grants received in relation to the sprinkler system amounted to £990,858. This income will be released into the profit and loss account over the useful life of the asset, judged to be 20 years. £49,543 has been released into the profit and loss account in the current year.

6 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Other creditors	99,755	123,384
	<u>99,755</u>	<u>123,384</u>

Included in other creditors is a loan of £58,404 from Birmingham City Council. This loan was restricted to set up costs and is interest free, and there is no current expectation that repayment will be sought in the foreseeable future. The Directors believe it is reasonable to treat this as a creditor falling due after more than one year.

BIRMINGHAM WHOLESALE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

7 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
0 A Ordinary shares of £1 each	100	100
0 B Ordinary shares of £1 each	100	100
	<u>200</u>	<u>200</u>
	<u><u>200</u></u>	<u><u>200</u></u>

8 Operating lease commitments

Lessee

9 Related party transactions

Birmingham City Council owns 100 A Ordinary shares, giving them 50% of the voting rights in Birmingham Wholesale Market Company.

Other creditors is an amount owed to Birmingham City Council of £58,404. This loan was restricted to specific set up costs and is interest free and payable on demand.

Government grants is an amount of £891,772 received from Birmingham City Council for the purchase of a sprinkler system, and any professional fees and costs related to the installation of the system.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.