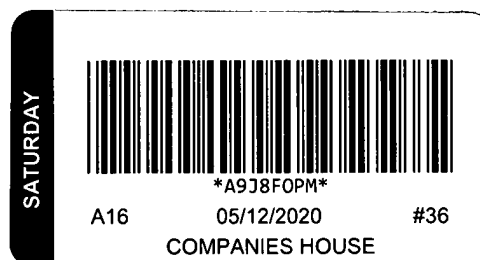


**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
FOR
NORTH COVENTRY HOLDINGS LIMITED**



NORTH COVENTRY HOLDINGS LIMITED

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for the year ended 31 March 2020**

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NORTH COVENTRY HOLDINGS LIMITED

COMPANY INFORMATION
for the year ended 31 March 2020

DIRECTORS:

Philip Helm
Richard Moon
Tracy Marie Miller

REGISTERED OFFICE:

c/o Room 56
Council House
Earl Street
Coventry
West Midlands
CV1 5RR

REGISTERED NUMBER:

04931967 (England and Wales)

AUDITORS:

Luckmans Duckett Parker Limited
Chartered Accountants
Statutory Auditors
1110 Elliott Court
Herald Avenue
Coventry Business Park
Coventry
West Midlands
CV5 6UB

SOLICITORS:

In-house Legal Team
Coventry City Council
The Council House
Earl Street
Coventry
CV1 5RR

NORTH COVENTRY HOLDINGS LIMITED

REPORT OF THE DIRECTORS for the year ended 31 March 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

PRINCIPAL ACTIVITY

North Coventry Holdings (NCH) is a wholly owned subsidiary of Coventry City Council (CCC). The Company's main activity is to hold shares in Coventry North Regeneration (CNR) (100% of the issued share capital). NCH previously held shares in Arena Coventry Limited (ACL). These were sold in 2014/15.

In addition, NCH provides business development and commercialisation related services to Coventry City Council under a series of contracts. NCH employed 4 staff on average during the year, which is no change from the previous year. Payroll services are provided by Coventry City Council to NCH under contract.

REVIEW OF BUSINESS

The accounts have been prepared under International Financial Reporting Standards (IFRS). The results for the year show a profit of £15,328 for the year ending 31 March 2020. NCH has total equity of £2,752,642, and total cash and equivalent balances of £2,741,153.

DIVIDENDS

No dividends will be paid out for the year ended 31 March 2020.

RESEARCH AND DEVELOPMENT

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

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

Philip Helm
Richard Moon
Tracy Marie Miller

PAYMENTS TO SUPPLIERS

NCH's standard terms of payment are the same as CCC i.e. 30 days from the date payment is due, receipt of invoice or delivery of goods, whichever is the later. Alternative payment terms are only made if specifically demanded for contractual purposes.

CHARITABLE AND POLITICAL DONATIONS

There have been no charitable or political donations made in the period.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

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

EQUAL OPPORTUNITIES

NCH have complied with the equal opportunities policies of the Council, as the ultimate owner of the Company, that in summary are:

- Everybody should have an equal opportunity to contribute to and benefit from society.
- A diverse community is a positive asset to the City.

NORTH COVENTRY HOLDINGS LIMITED

REPORT OF THE DIRECTORS for the year ended 31 March 2020

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. 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 (CCC), passed an elective resolution on 29th October 2004 to dispense with the holding of Annual General Meetings, the laying of accounts before the company in general meeting and the appointment of auditors annually.

ON BEHALF OF THE BOARD:



.....
Richard Moon - Director

Date: 16th September 2020

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

Opinion

We have audited the financial statements of North Coventry Holdings Limited (the 'company') for the year ended 31 March 2020 which comprise the Statement of Profit or Loss and Other 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 European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NORTH COVENTRY HOLDINGS 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 been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company's 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 Directors' Responsibilities Statement set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

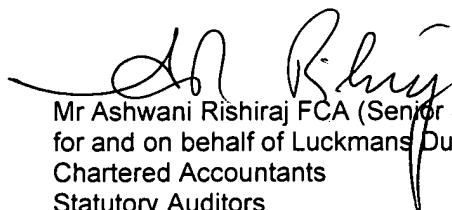
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



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

Date: 16 September 2020

NORTH COVENTRY HOLDINGS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2020

	Notes	2020 £	2019 £
CONTINUING OPERATIONS			
Revenue	3	298,987	170,584
Other operating income		10,000	8,683
Employee expenses	4	(284,064)	(172,475)
Administrative expenses	7	<u>(26,405)</u>	<u>(12,415)</u>
OPERATING LOSS		(1,482)	(5,623)
Finance income	5	<u>20,405</u>	<u>19,723</u>
PROFIT BEFORE INCOME TAX		18,923	14,100
Income tax	6	<u>(3,595)</u>	<u>(2,679)</u>
PROFIT FOR THE YEAR		15,328	11,421
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>15,328</u>	<u>11,421</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 March 2020

	Notes	2020 £	2019 £
ASSETS			
NON-CURRENT ASSETS			
Investments	8	-	-
CURRENT ASSETS			
Trade and other receivables	9	60,690	29,323
Cash and cash equivalents	10	<u>2,741,153</u>	<u>2,732,907</u>
		<u>2,801,843</u>	<u>2,762,230</u>
TOTAL ASSETS		<u>2,801,843</u>	<u>2,762,230</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	11	1,758,062	1,758,062
Share premium	12	31,430,999	31,430,999
Retained earnings	12	<u>(30,436,419)</u>	<u>(30,451,747)</u>
TOTAL EQUITY		<u>2,752,642</u>	<u>2,737,314</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	45,606	22,237
Tax payable		<u>3,595</u>	<u>2,679</u>
		<u>49,201</u>	<u>24,916</u>
TOTAL LIABILITIES		<u>49,201</u>	<u>24,916</u>
TOTAL EQUITY AND LIABILITIES		<u>2,801,843</u>	<u>2,762,230</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16th September 2020 and were signed on its behalf by:



.....
Philip Helm - Director

NORTH COVENTRY HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2020**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2018	1,758,062	(30,463,168)	31,430,999	2,725,893
Changes in equity				
Total comprehensive income	-	11,421	-	11,421
Balance at 31 March 2019	<u>1,758,062</u>	<u>(30,451,747)</u>	<u>31,430,999</u>	<u>2,737,314</u>
Changes in equity				
Total comprehensive income	-	15,328	-	15,328
Balance at 31 March 2020	<u>1,758,062</u>	<u>(30,436,419)</u>	<u>31,430,999</u>	<u>2,752,642</u>

The notes form part of these financial statements

NORTH COVENTRY HOLDINGS LIMITED

STATEMENT OF CASH FLOWS
for the year ended 31 March 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(9,480)	(12,161)
Tax paid		<u>(2,679)</u>	<u>(4,153)</u>
Net cash from operating activities		<u>(12,159)</u>	<u>(16,314)</u>
 Cash flows from investing activities			
Interest received		<u>20,405</u>	<u>19,723</u>
Net cash from investing activities		<u>20,405</u>	<u>19,723</u>
 Increase in cash and cash equivalents		<u>8,246</u>	<u>3,409</u>
Cash and cash equivalents at beginning of year	2	<u>2,732,907</u>	<u>2,729,498</u>
 Cash and cash equivalents at end of year	2	<u><u>2,741,153</u></u>	<u><u>2,732,907</u></u>

The notes form part of these financial statements

NORTH COVENTRY HOLDINGS LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS
for the year ended 31 March 2020

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

	2020 £	2019 £
Profit before income tax	18,923	14,100
Finance income	<u>(20,405)</u>	<u>(19,723)</u>
	(1,482)	(5,623)
Increase in trade and other receivables	(31,367)	(19,928)
Increase in trade and other payables	<u>23,369</u>	<u>13,390</u>
Cash generated from operations	<u><u>(9,480)</u></u>	<u><u>(12,161)</u></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 2020

	31.3.20 £	1.4.19 £
Cash and cash equivalents	<u><u>2,741,153</u></u>	<u><u>2,732,907</u></u>

Year ended 31 March 2019

	31.3.19 £	1.4.18 £
Cash and cash equivalents	<u><u>2,732,907</u></u>	<u><u>2,729,498</u></u>

NORTH COVENTRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2020

1. GENERAL INFORMATION

North Coventry Holdings Limited (the Company) is a limited company incorporated in the United Kingdom under the Companies Act 2006. The addresses of its registered office and principal place of business are disclosed on page 1 and the principal activities of the Company are described on page 2. The functional and presentational currency applied in these financial statements is UK Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations issued by the International Accounting Standards Board. They have been prepared using the historical cost convention except that as disclosed in the accounting policies below for certain items, including investment properties, derivatives, trading investments and available - for sale investments, which are shown at fair value.

(i) Going Concern

The financial statements of NCH have been prepared on a going concern basis and the validity of this depends upon the continuing financial support of the parent organisation of CCC.

(ii) Deferred taxation

IAS 12 "Deferred Tax" has been adopted in preparing these accounts. Subject to specific exceptions, this standard requires deferred tax to be recognised taking into account temporary differences, between the carrying amount of an asset or a liability and its tax base.

Deferred tax assets are only recognised to the extent that, on the basis of all available evidence, it can be regarded as more likely than not, that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

(iii) Exemption from requirement to prepare group accounts

NCH has not prepared group accounts as it qualifies as a small group, exempt from preparing group accounts under section 399 of the Companies Act 2006.

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 receivables and cash and cash equivalents. Trade and other receivables are classified as loans and receivables and are measured initially at fair value plus transaction costs and are carried subsequently at amortised cost under the effective interest method, less provision for any impairment. Any change in their value through impairment or reversal of impairment is recognised in the statement of comprehensive income. There are no financial assets classified as fair value through the statement of comprehensive income or as held to maturity or available for sale.

Financial liabilities

Financial liabilities, which include bank loans, overdrafts and trade and other payables are initially measured at fair value net of transaction costs under the effective interest method and thereafter at amortised cost. Finance charges are accounted for on an accruals basis in the statement of comprehensive income using the effective interest method.

Taxation

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

NORTH COVENTRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2020

2. ACCOUNTING POLICIES - continued

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

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 2019.

At the date of authorisation of these financial, the following Standards and Interpretations which have not yet been applied in these financial statements were in issue but not yet effective:

- Amendment to IFRS 3, Business Combinations
- Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest rate benchmark reform

3. REVENUE

Revenue from contracts with customers

Income of £308,987 was earned through contracts with Coventry City Council, including for the provision of business development services.

4. EMPLOYEES AND DIRECTORS

During 2019/20 NCH employed 4 members of staff on average. Total staff costs were £284,064 (£172,475 in 2018/19).

	2020	2019
	£	£
Salaries and Wages	248,377	151,753
National Insurance	28,522	16,837
Pension Payments	<u>7,165</u>	<u>3,885</u>
	<u>284,064</u>	<u>172,475</u>

Pensions are provided under the National Employment Savings Trust (NEST) defined contribution scheme, with NCH contributing up to 3% of pensionable pay during 2019/20.

Emoluments of £10,000 paid to Directors for the year ended 31 March 2020 (£8,683 in 2018/19), are included in the above.

5. NET FINANCE INCOME

Interest of £20,405 was earned during the year (£19,723 in 2018/19), on the balance of £2.7m which was invested through CCC.

NORTH COVENTRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

6. INCOME TAX

	2020 £	2019 £
Current tax expense in respect of the current year	3,595	2,679
Current tax expense in respect of the previous year	<u>-</u>	<u>-</u>
Total income tax	<u>3,595</u>	<u>2,679</u>
Factors affecting the tax charge for the year		
Profit from continuing operations	<u>18,923</u>	<u>14,100</u>
Income tax calculated at 19%	3,595	2,679
Effect of unused tax losses	<u>-</u>	<u>-</u>
	3,595	2,679
Adjustment in the current year in relation to the current tax of prior years	<u>-</u>	<u>-</u>
Tax charge per accounts	<u>3,595</u>	<u>2,679</u>

7. ADMINISTRATIVE EXPENSES

Administrative expenses total £26,405 (£12,415 in 2018/19) and comprise:

	2020 £	2019 £
Employee travel and subsistence	10,679	6,144
Payments to CCC	8,657	4,401
Auditor remuneration	1,842	1,802
Other	<u>5,227</u>	<u>68</u>
	<u>26,405</u>	<u>12,415</u>

Auditor remuneration includes £213 in respect of non-audit services (£208 in 2019).

8. INVESTMENTS

NCH holds 100% of Coventry North Regeneration Ltd's (CNR) issued share capital, a company incorporated in England. CNR has reported in its audited accounts for the year ended 31 March 2020 profit for the year of £10 (£6 in 2018/19) and reserves of £40 (£30 as at 31 March 2019).

9. TRADE AND OTHER RECEIVABLES

Trade receivables of £60,690 (£29,323 in 2018/19) represents £60,657 due from Coventry City Council, in respect of services provided to the Council under service contracts and £33 due from Coventry North Regeneration Ltd in respect of administrative expenses paid on their behalf.

10. CASH AND CASH EQUIVALENTS

Cash and equivalent balances of £2.741m were held in the company's bank account at 31 March 2020 (£2.733m as at 31 March 2019).

NORTH COVENTRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2020 £	2019 £
Number:	Class:			
1,758,062	Ordinary shares		<u>1,758,062</u>	<u>1,758,062</u>

On 7 November 2003, 1 share of £1 purchased by CCC for £1.

On 27 January 2004, 1,758,057 shares of £1 purchased by CCC for £1.758m.

On the 23 March 2006, 3 shares (nominal value £3) were issued by NCH to CCC for £30m in return for 3 additional shares in CNR (nominal value £3) for £30m.

On 25 March 2008, 1 share (nominal value £1) was issued by NCH to CCC for £1.431m in return for 1 additional share in CNR (nominal value £1) for £1.431m.

There were no capital contributions provided by CCC to NCH during the year ended 31 March 2020, therefore no shares were required to be issued to CCC.

12. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 April 2019	(30,451,747)	31,430,999	979,252
Profit for the year	<u>15,328</u>		<u>15,328</u>
At 31 March 2020	<u>(30,436,419)</u>	<u>31,430,999</u>	<u>994,580</u>

13. TRADE AND OTHER PAYABLES

Trade payables total £45,606 (£22,237 in 2018/19) and comprise:

	2020 £	2019 £
Payable to CCC	9,169	12,870
VAT	21,372	6,802
Other	<u>15,065</u>	<u>2,565</u>
	<u>45,606</u>	<u>22,237</u>

NORTH COVENTRY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

14. FINANCIAL INSTRUMENTS - INFORMATION ON FINANCIAL RISKS

(i) Categories of Financial Instruments

	2020 £	2019 £
FINANCIAL ASSETS		
Trade and other receivables	60,690	29,323
Cash and cash equivalents	<u>2,741,153</u>	<u>2,732,907</u>
	<u>2,801,843</u>	<u>2,762,230</u>
FINANCIAL LIABILITIES		
Trade, other payables and long term borrowing	<u>24,234</u>	<u>15,345</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 equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity on page 8.

(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:

	2020 £	2019 £
Financial assets		
Less than 30 days	<u>2,801,843</u>	<u>2,762,230</u>
	<u>2,801,843</u>	<u>2,762,230</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.

NORTH COVENTRY HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020**

15. RELATED PARTY DISCLOSURES

The Directors of NCH (Philip Helm, Tracy Miller and Richard Moon) are Directors of CNR and senior officers of CCC. Emoluments paid to Directors for the year ended 31 March 2020 are set out in Note 4.

Transactions and balances between NCH and CNR or CCC are detailed in the following notes:

- Contract Income (3)
- Administrative Expenses (7)
- Finance Income (5)
- Investments (8)
- Trade and Other Receivables (9)
- Trade and Other Payables (13)

Under the payroll contract between CCC and NCH, CCC paid income tax and national insurance for the year totalling £98,750, with these being reimbursable by NCH to CCC.

16. POST BALANCE SHEET EVENTS

There are no significant events after the Balance sheet date.

17. ULTIMATE PARENT COMPANY

The Company's ultimate parent undertaking and controlling party is CCC who own 100% of the share capital of North Coventry Holdings Limited. Copies of the consolidated financial statements of Coventry City Council can be obtained from CCC at the following address:

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