

Company Registration No. 07931990 (England and Wales)

VERITAU NORTH YORKSHIRE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

VERITAU NORTH YORKSHIRE LIMITED

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VERITAU NORTH YORKSHIRE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	3	15,202		5,919	
Cash at bank and in hand		262,496		192,360	
		<u>277,698</u>		<u>198,279</u>	
Creditors: amounts falling due within one year	4	<u>(144,463)</u>		<u>(76,277)</u>	
Net current assets			133,235		122,002
Provisions for liabilities			<u>(60,220)</u>		<u>(28,700)</u>
Net assets excluding pension surplus			73,015		93,302
Defined benefit pension surplus	6		<u>317,000</u>		<u>151,000</u>
Net assets			<u><u>390,015</u></u>		<u><u>244,302</u></u>
Capital and reserves					
Called up share capital	7		10		504
Share premium account			28,070		19,656
Capital redemption reserve			494		-
Profit and loss reserves			<u>361,441</u>		<u>224,142</u>
Total equity			<u><u>390,015</u></u>		<u><u>244,302</u></u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 21 October 2021 and are signed on its behalf by:

Mr A Hodge
Director

Company Registration No. 07931990

VERITAU NORTH YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Veritau North Yorkshire Limited is a private company limited by shares incorporated in England and Wales. The registered office is West Offices, Station Rise, York, North Yorkshire, YO1 6GA.

1.1 Accounting convention

The financial statements are prepared under the historical cost 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 £.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company has ongoing contracts with local councils and authorities and can tailor its expenditure accordingly in line with income levels.

The results each year are subject to the movements of the North Yorkshire Pension Fund, which is a defined benefit scheme. The company continues to meet its contributions due to the scheme on a normal contribution basis. There is a subsumption agreement in place between the company, North Yorkshire County Council and Ryedale District Council to take on the assets or liabilities of the pension scheme should this be required.

After a detailed review of the company's resources and future prospects, the directors are confident that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Thus, the directors to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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.

Revenue from contracts with local authorities for the provision of professional services is recognised in line with the reporting period for these services ending on 30 April, and the right to income is met at this point. To ensure income is recognised in the correct period, an adjustment is therefore made to reflect the value of work done in the period up to 30 April.

1.4 Cash at bank and in hand

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.

VERITAU NORTH YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 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.

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

1.6 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

VERITAU NORTH YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

1.9 Retirement benefits

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

VERITAU NORTH YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	5	2

3 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by group undertakings	10,820	-
Other debtors	4,382	5,919
	15,202	5,919

4 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	32	30
Amounts owed to group undertakings	110,295	48,235
Taxation and social security	3,579	5,259
Other creditors	30,557	22,753
	144,463	76,277

5 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £
Balances:		
Retirement benefit obligations	60,220	28,700

VERITAU NORTH YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5	Deferred taxation	(Continued)
		2021
	Movements in the year:	£
	Liability at 1 April 2020	28,700
	Credit to profit or loss	(6,680)
	Charge to other comprehensive income	38,200
	Liability at 31 March 2021	60,220

6 Retirement benefit schemes

Defined benefit schemes

The company participates in a local government pension scheme, administered by North Yorkshire County Council. The local government pension scheme is a defined benefit scheme based on final pensionable salary.

<i>Key assumptions</i>	2021	2020
	%	%
Discount rate	2.1	2.3
Expected rate of increase of pensions in payment	2.7	2
Expected rate of salary increases	3.95	3.25
	=====	=====
<i>Mortality assumptions</i>	2021	2020
Assumed life expectations on retirement at age 65:	Years	Years
Retiring today		
- Males	21.9	21.8
- Females	24	23.9
	=====	=====
Retiring in 20 years		
- Males	23.6	23.5
- Females	25.8	25.7
	=====	=====
<i>Amounts recognised in the profit and loss account</i>	2021	2020
	£	£
Current service cost	42,000	12,000
Net interest on defined benefit liability/(asset)	(4,000)	(3,000)
	=====	=====
Total costs	38,000	9,000
	=====	=====

VERITAU NORTH YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Retirement benefit schemes		(Continued)	
	2021	2020	
	£	£	
<i>Amounts taken to other comprehensive income</i>			
Actual return on scheme assets	(439,000)	62,000	
Less: calculated interest element	30,000	33,000	
Return on scheme assets excluding interest income	(409,000)	95,000	
Actuarial changes related to obligations	208,000	(102,000)	
Total costs/(income)	(201,000)	(7,000)	
The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:			
	2021	2020	
	£	£	
Present value of defined benefit obligations	1,393,000	1,160,000	
Fair value of plan assets	(1,710,000)	(1,311,000)	
Surplus in scheme	(317,000)	(151,000)	
<i>Movements in the present value of defined benefit obligations</i>			
		2021	
		£	
Liabilities at 1 April 2020		1,160,000	
Current service cost		42,000	
Benefits paid		(50,000)	
Contributions from scheme members		7,000	
Actuarial gains and losses		208,000	
Interest cost		26,000	
At 31 March 2021		1,393,000	
<i>The defined benefit obligations arise from plans funded as follows:</i>			
		2021	
		£	
Wholly unfunded obligations		-	
Wholly or partly funded obligations		1,393,000	
		1,393,000	

VERITAU NORTH YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6	Retirement benefit schemes	(Continued)
		2021
	<i>Movements in the fair value of plan assets</i>	£
	Fair value of assets at 1 April 2020	1,311,000
	Interest income	30,000
	Return on plan assets (excluding amounts included in net interest)	409,000
	Benefits paid	(50,000)
	Contributions by the employer	3,000
	Contributions by scheme members	7,000
	At 31 March 2021	1,710,000

The actual return on plan assets was £439,000 (2020 - £62,000).

	2021	2020
	£	£
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	988,380	766,935
Debt instruments	312,930	250,401
Property	104,310	95,703
Other	304,380	197,961
	1,710,000	1,311,000

7	Called up share capital	2021	2020	2021	2020
		Number	Number	£	£
	Ordinary share capital Issued and fully paid				
	Ordinary shares of £1 each	10	504	10	504

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Daniel Sowden.
The auditor was BHP LLP.

VERITAU NORTH YORKSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Related party transactions

Transactions with related parties

Other information

Veritau Limited owned 50% of the shares in the company throughout the current period. Veritau Limited is owned by City of York Council and North Yorkshire County Council who each own 50% of the shares throughout the current period.

Hambleton District Council, Richmondshire District Council, Ryedale District Council, Selby District Council and Scarborough Borough Council each owned 10% of the shares in the company throughout the current period.

The nature of the work performed by the company is to provide internal audit services to its shareholders and their respective connected entities. The work is all performed on an arms length basis and under normal market conditions. Any costs incurred are also on an arms length basis and under normal market conditions.

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.