

REGISTERED NUMBER: 12004615 (England and Wales)

BIRMINGHAM CITY STADIUM LTD

Report of the Directors and

Financial Statements for the Year Ended 30 June 2021

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for the year ended 30 June 2021

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BIRMINGHAM CITY STADIUM LTD

Company Information
for the year ended 30 June 2021

Directors:

K Ming Ming
V Pech

Registered office:

St Andrews Stadium
Small Heath
Birmingham
West Midlands
B9 4NH

Registered number:

12004615 (England and Wales)

Auditors:

Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
West Midlands
B15 3BE

BIRMINGHAM CITY STADIUM LTD (REGISTERED NUMBER: 12004615)

Report of the Directors
for the year ended 30 June 2021

The directors present their report with the financial statements of the company for the year ended 30 June 2021.

Principal activity

The principal activity of the company in the year under review was that of holding an investment property.

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 who have held office during the period from 1 July 2020 to the date of this report are as follows:

K Ming Ming - appointed 28 May 2021

V Pech - appointed 28 May 2021

G Zheng - resigned 28 May 2021

X Ren - resigned 28 May 2021

Statement as to disclosure of information to auditors

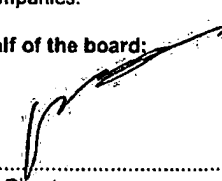
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Haines Watts Birmingham LLP, were appointed during the year and are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board:



.....
V Pech - Director

Date: 31/03/2023

Directors' Responsibilities Statement
for the year ended 30 June 2021

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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.

Report of the Independent Auditors to the Members of
Birmingham City Stadium Ltd

Opinion

We have audited the financial statements of Birmingham City Stadium Ltd (the 'company') for the year ended 30 June 2021 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and 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 United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (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 30 June 2021 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 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.

Material uncertainty relating to going concern

We draw attention to note 2 on page 10 of the financial statements, which indicates that at the balance sheet date the company's current liabilities exceeded the current assets by £21.5m and its total liabilities exceeded total assets by £875k. As stated in note 2, funding of around £2.0m is required to June 2024 from Oriental Rainbow Investments Limited ("ORIL") and continued support from ORIL and Achiever Global Group Limited ("AGGL"). The majority of the funding requirement is in relation to the outstanding Stamp Duty on acquisition of the Stadium. ORIL and AGGL have provided signed letters of support which detail that they will make available sufficient funds for the company to meet its obligations and will not seek demand for repayment any outstanding loans.

These events or conditions, along with other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the director's assessment of the entity's ability to continue to adopt the going concern basis of accounting included a review of the commitments they have received from ORIL and AGGL.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors and the Directors' Responsibilities Statement, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of
Birmingham City Stadium Ltd

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006. We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS101) and relevant tax legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

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.

Report of the Independent Auditors to the Members of
Birmingham City Stadium Ltd

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.



Andrew Hughes FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
West Midlands
B15 3BE

31/03/2023

Date:

BIRMINGHAM CITY STADIUM LTD (REGISTERED NUMBER: 12004615)

**Statement of Comprehensive
Income
for the year ended 30 June 2021**

		2021	2020
	Notes	£	£
Turnover		1,250,000	1,250,000
Administrative expenses		(1,131,000)	(7,600)
		119,000	1,242,400
Other operating income		-	(2,160,000)
Operating profit/(loss)		119,000	(917,600)
Interest payable and similar expenses	4	(17,424)	-
Profit/(loss) before taxation	5	101,576	(917,600)
Tax on profit/(loss)	6	(58,976)	-
Profit/(loss) for the financial year		42,600	(917,600)
Other comprehensive income		-	-
Total comprehensive income for the year		42,600	(917,600)

The notes form part of these financial statements

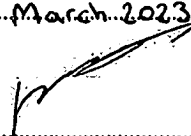
BIRMINGHAM CITY STADIUM LTD. (REGISTERED NUMBER: 12004615)

Balance Sheet
30 June 2021

	Notes	£	2021 £	2020 £
Fixed assets				
Investment property	7		20,600,000	20,600,000
Current assets				
Debtors	8	-		100
Creditors				
Amounts falling due within one year	9	21,474,900	21,517,600	
Net current liabilities			(21,474,900)	(21,517,500)
Total assets less current liabilities			(874,900)	(917,500)
Capital and reserves				
Called up share capital	10		100	100
Retained earnings	11		(875,000)	(917,600)
Shareholders' funds			(874,900)	(917,500)

The financial statements have been prepared 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 31 March 2023 and were signed on its behalf by:


.....
V Pech - Director

The notes form part of these financial statements

BIRMINGHAM CITY STADIUM LTD (REGISTERED NUMBER: 12004615)

Statement of Changes in Equity
for the year ended 30 June 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2019	100	-	100
Changes in equity			
Total comprehensive income	-	(917,600)	(917,600)
Balance at 30 June 2020	100	(917,600)	(917,500)
Changes in equity			
Total comprehensive income	-	42,600	42,600
Balance at 30 June 2021	100	(875,000)	(874,900)

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 30 June 2021

1. **Statutory information**

Birmingham City Stadium Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **Accounting policies**

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Going concern

The company's directors believe that the financial statements of the company should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the companies' needs. The directors have considered a period of twelve months from the date of approval of the financial statements. They believe that no further disclosures relating to the ability of the company to continue as going concerns need to be made in the financial statements.

At the balance sheet date funding of £14.4m has been provided by Oriental Rainbow Investments Limited (ORIL) and Achiever Global Group Limited (AGGL) as shown in other creditors. The directors have received written confirmation from both ORIL and AGGL that the debt owed to the company will not require repayment within 12 months from the date of approval of these financial statements unless the company is able to do so.

The directors have prepared detailed cash flow forecasts for the period to 31 March 2024 as part of the longer-term forecasts prepared for the company. The forecasts show that the company needs additional funding of around £2.0m which will be provided from ORIL for the period from July 2021 to June 2024. The majority of the funding requirement is in relation to the outstanding Stamp Duty on acquisition of the Stadium.

Notes to the Financial Statements - continued
for the year ended 30 June 2021

2. Accounting policies - continued

Turnover

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue represents the value, excluding value added tax, or services supplied during the year.

Revenue is comprised of rental income from operating leases. This revenue is recognised evenly over the term of the relevant lease.

Investment property

Investment property, which is property held to earn rentals and/or capital appreciation is initially measured at cost and subsequently measured using the fair value model and states at its fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

Fair value measurement

IFRS 13 established a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to sue fair value but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS101 from disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit or loss are initially measured at fair value plus transaction costs.

Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit and loss' or 'other financial liabilities'.

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 balance sheet date.

3. Employees and directors

There were no staff costs for the year ended 30 June 2021 nor for the year ended 30 June 2020.

The average number of employees during the year was NIL (2020 - NIL).

	2021	2020
	£	£
Directors' remuneration	-	-
	<u> </u>	<u> </u>

4. Interest payable and similar expenses

	2021	2020
	£	£
Interest payable	17,424	-
	<u> </u>	<u> </u>

5. Profit/(loss) before taxation

The profit before taxation (2020 - loss before taxation) is stated after charging:

	2021	2020
	£	£
Auditors' remuneration	3,500	4,000
	<u> </u>	<u> </u>

Notes to the Financial Statements - continued
for the year ended 30 June 2021

6. Taxation

Analysis of tax expense

	2021	2020
	£	£
Current tax:		
Corporation Tax	58,976	-
Total tax expense in statement of comprehensive income	58,976	-

7. Investment property

	Total £
Fair value	
At 1 July 2020	20,600,000
Additions	1,127,500
Impairments	(1,127,500)
At 30 June 2021	20,600,000
Net book value	
At 30 June 2021	20,600,000
At 30 June 2020	20,600,000

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using fair value model and stated at its fair value at the reporting end date. Changes in fair value are recognised in profit and loss.

Investment property comprises St. Andrew's Trillion Trophy Stadium. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 28 February 2021 by JP Assets Consultancy Limited, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

8. Debtors: amounts falling due within one year

	2021	2020
	£	£
Amounts owed by group undertakings	-	100

9. Creditors: amounts falling due within one year

	2021	2020
	£	£
Amounts owed to group undertakings	-	21,513,600
Corporation tax	58,976	-
Other creditors	15,502,400	-
Amounts owed to related undertakings	5,906,024	-
Accruals and deferred income	7,500	4,000
	21,474,900	21,517,600

10. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
100	Ordinary shares	1	100	100

Notes to the Financial Statements - continued
for the year ended 30 June 2021

11. Reserves

	Retained earnings £
At 1 July 2020	(917,600)
Profit for the year	42,600
	<hr/>
At 30 June 2021	(875,000)
	<hr/>

12. Contingent liabilities

Following the change in the group structure described in Note 15, a Stamp Duty Land Tax liability arose of £1,127,500 which was not paid or reported until December 2022. As such the company may be liable for a tax related penalty not exceeding the amount of tax chargeable in respect of the transaction. As at the date of signing, the amount and timing of any potential penalties are uncertain.

13. Related party disclosures

The company has taken advantage of the exemption conferred within IAS 24 not to disclose transactions between wholly owned members of the same group.

On 9 October 2020, the Birmingham Sports Holdings Limited ("BSHL") and Oriental Rainbow Investments Limited ("ORIL") entered into a sale and purchase agreement in relation to the disposal of 25% of the total issued capital of Birmingham City Stadium Ltd ("BCSL").

ORIL is beneficially wholly owned by Mr. Vong Pech, a substantial Shareholder of BSHL. The sale and purchase agreement was approved by the independent Shareholders on 8 December 2020 and the Disposal was completed on 31 December 2020.

On 31 March 2021, Birmingham Sports Holdings Limited ("BSHL") and Achiever Global Group Limited ("AGGL"), entered into a sale and purchase agreement in relation to the disposal of 75% of the total issued capital of Birmingham City Stadium Ltd ("BCSL").

On 31 March 2021, under a loan reorganisation deed, £14,374,800 of the loan owing by BCSL to BCFC was re-assigned. At the 30 June 2021 £10,781,100 was owed to AGGL and £3,593,700 was owed to ORIL. The loans are interest free and repayable on demand.

During the year BCFC paid rent to BCSL amounting to £1,250,000 and included in amounts owed to related undertakings at 30 June 2021 is an amount of £5,888,700 due to the company. Interest is charged at a rate of 4.5% from 1 April 2021 and amounted to £17,424.

14. Events after the reporting period

Since December 2020, the lower KOP stand and Tilton Road End of St. Andrew's Stadium were closed for structural maintenance. Consultants have been engaged to assess and evaluate the scope of work and the cost budget required for the maintenance. The assessment is ongoing and the maintenance is expected to be complete early in the 2023/24 season.

To the date of this report costs of £627k have been incurred.

Notes to the Financial Statements - continued
for the year ended 30 June 2021

15. Ultimate controlling party and parent undertaking of a large group

The immediate parent company as at 30 June 2021 is Achiever Global Group Limited, a company registered in the British Virgin Islands.

During the year the company's ownership changed. Prior to the the change the immediate parent company was Birmingham Sports Holding Limited, a company incorporated in the Cayman Islands and listed in Hong Kong.

On 9 October 2020, Oriental Rainbow Investments Limited entered into an agreement to acquire a 25% stake in the company's ordinary share capital.

On 31 March 2021, Achiever Global Group Limited, a company registered in the British Virgin Islands, entered into an agreement to acquire a 75% stake in the company's ordinary share capital and shareholder's loan due to Birmingham Sports Holdings Limited as at the date of completion. The transaction was subsequently completed on 7 June 2021. Immediately after the completion, the company ceased to be a subsidiary of Birmingham Sports Holdings Limited and Birmingham Sports Holdings Limited no longer hold any interest in the shares of the company.