

Company Registration No. 12004615 (England and Wales)

BIRMINGHAM CITY STADIUM LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

BIRMINGHAM CITY STADIUM LTD

COMPANY INFORMATION

Directors	Pech Vong Ming Ming Kang	(Appointed 28 May 2021) (Appointed 28 May 2021)
Company number	12004615	
Registered office	St Andrew's Stadium Birmingham B9 4RL	
Auditor	Edwards 34 High Street Aldridge Walsall West Midlands WS9 8LZ	

BIRMINGHAM CITY STADIUM LTD

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BIRMINGHAM CITY STADIUM LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2020

The directors present their annual report and financial statements for the year ended 30 June 2020.

Principal activities

The principal activity of the company is that of holding an investment property.

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Xuandong Ren	(Resigned 28 May 2021)
Gannan Zheng	(Resigned 28 May 2021)
Pech Vong	(Appointed 28 May 2021)
Ming Ming Kang	(Appointed 28 May 2021)

Post reporting date events

On 9 October 2020, Oriental Rainbow Investments Limited entered into an agreement to acquire a 25% stake in the company's ordinary share capital. Following the completion, Birmingham Sports Holding Limited's 100% ownership in the company has reduced to 75%.

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.

Following the above share transfers, an additional taxation liability crystallised of £1.2m.

Auditor

In accordance with the company's articles, a resolution proposing that Edwards be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Pech Vong

Director

30 June 2021

BIRMINGHAM CITY STADIUM LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2020

The directors are responsible for preparing the annual 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

BIRMINGHAM CITY STADIUM LTD

INDEPENDENT AUDITOR'S REPORT

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 2020 which comprise the statement of comprehensive income, the statement of financial position, the 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 FRS 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 2020 and of its loss 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 *Auditor's 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

BIRMINGHAM CITY STADIUM LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BIRMINGHAM CITY STADIUM LTD

Opinions on other matters prescribed by the Companies Act 2006

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

Auditor's 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BIRMINGHAM CITY STADIUM LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 an auditor's 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.

Adrian Stevens FCCA (Senior Statutory Auditor)
For and on behalf of Edwards

1 July 2021

Chartered Accountants
Statutory Auditor

34 High Street
Aldridge
Walsall
West Midlands
WS9 8LZ

BIRMINGHAM CITY STADIUM LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

		Year ended 30 June 2020 £	Period ended 30 June 2019 £
	Notes		
Revenue	2	1,250,000	-
Administrative expenses		(7,600)	-
Operating profit	3	1,242,400	-
Other gains and losses	5	(2,160,000)	-
(Loss)/profit before taxation		(917,600)	-
Tax on (loss)/profit	6	-	-
(Loss)/profit and total comprehensive income for the financial year		(917,600)	-

The income statement has been prepared on the basis that all operations are continuing operations.

BIRMINGHAM CITY STADIUM LTD

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Notes	2020 £	£	2019 £	£
Non-current assets					
Investment property	7	20,600,000		22,760,000	
Current assets					
Trade and other receivables	8	100		100	
Current liabilities	9	(21,517,600)		(22,760,000)	
Net current liabilities		(21,517,500)		(22,759,900)	
Total assets less current liabilities		(917,500)		100	
Equity					
Called up share capital	11	100		100	
Retained earnings		(917,600)		-	
Total equity		(917,500)		100	

The financial statements were approved by the board of directors and authorised for issue on 30 June 2021 and are signed on its behalf by:

Pech Vong
Director

Company Registration No. 12004615

BIRMINGHAM CITY STADIUM LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Share capital £	Retained earnings £	Total £
Balance at 20 May 2019		-	-	-
Period ended 30 June 2019:				
Issue of share capital	11	100	-	100
Balance at 30 June 2019		100	-	100
Year ended 30 June 2020:				
Loss and total comprehensive income for the year		-	(917,600)	(917,600)
Balance at 30 June 2020		100	(917,600)	(917,500)

BIRMINGHAM CITY STADIUM LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

Company information

Birmingham City Stadium Ltd is a private company limited by shares incorporated in England and Wales. The registered office is St Andrew's Stadium, Birmingham, B9 4RL. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

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 on the historical cost basis. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- 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. Equivalent disclosures are included in the consolidated financial statements of Birmingham Sports Holdings Limited in which the entity is consolidated;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1 and (ii) paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40, 111 and 134-136 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 ; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

Where required, equivalent disclosures are given in the group accounts of Birmingham Sports Holdings Limited. The group accounts of Birmingham Sports Holdings Limited are available to the public and can be obtained as set out in note 14.

1.2 Going concern

The company, as at 30 June 2020, had net liabilities of £917,500. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, the validity of which is dependent upon the company's creditors not requesting repayment. The directors have considered the forecasts of the company carefully and also considered the company's ability to repay liabilities in the immediate future. The directors do however remain of the view that the company has the support of its creditors that repayment will not be demanded and as a result, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

BIRMINGHAM CITY STADIUM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.3 Revenue

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, of 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

1.4 Investment properties

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

1.5 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use 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 FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

1.6 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 and loss are initially measured at fair value plus transaction costs.

1.7 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 or loss' or 'other financial liabilities'.

2 Revenue

	2020 £	2019 £
Revenue analysed by class of business		
Rental income	1,250,000	-
	<u> </u>	<u> </u>

3 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	4,000	-
	<u> </u>	<u> </u>

BIRMINGHAM CITY STADIUM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

4 Employees

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

	2020	2019
	Number	Number
Total	-	-
	=====	=====

5 Other gains and losses

	2020	2019
	£	£
Changes in the fair value of investment properties	(2,160,000)	-
	=====	=====

BIRMINGHAM CITY STADIUM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

6 Taxation

	2020	2019
	£	£

The charge for the year can be reconciled to the loss per the income statement as follows:

	2020	2019
	£	£
Loss before taxation	(917,600)	-
Expected tax credit based on a corporation tax rate of 19.00% (2019: 0%)	(174,344)	-
Effect of expenses not deductible in determining taxable profit	410,400	-
Group relief	(236,056)	-
Taxation charge for the year	-	-

7 Investment property

	2020
	£
Fair value	
At 1 July 2019	22,760,000
Fair value adjustment	(2,160,000)
At 30 June 2020	20,600,000

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 Trade and other receivables

	2020	2019
	£	£
Amount owed by parent undertaking	100	100

9 Liabilities

	Notes	2020	2019
		£	£
Trade and other payables	10	21,517,600	22,760,000

BIRMINGHAM CITY STADIUM LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

10 Trade and other payables

	2020 £	2019 £
Amounts owed to fellow group undertakings	21,513,600	22,760,000
Accruals	4,000	-
	<u>21,517,600</u>	<u>22,760,000</u>

11 Share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital				
Authorised				
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12 Events after the reporting date

On 9 October 2020, Oriental Rainbow Investments Limited entered into an agreement to acquire a 25% stake in the company's ordinary share capital. Following the completion, Birmingham Sports Holding Limited's 100% ownership in the company has reduced to 75%.

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.

Following the above share transfers, an additional taxation liability crystallised of £1.2m.

13 Related party transactions

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

14 Ultimate parent company and parent undertaking of a large group

The immediate parent company is Birmingham Sports Holdings Limited, a company incorporated in the Cayman Islands and listed in Hong Kong.

The largest group in which the results of the company are consolidated is that headed by Birmingham Sports Holdings Limited. the consolidated accounts of this company are available to the public and may be obtained from the website of the Stock Exchange of Hong Kong.

As at the date of this report, 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.

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.