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THE BEDFORDBID COMPANY LIMITED
(A Company Limited by Guarantee)

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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THE BEDFORDBID COMPANY LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	Samantha Laycock Zahid Hussain Stephen McBrearty David Roffey Daniel Fisher Christina Rowe Charles Royden Mark Thompson (resigned 16 October 2018) Deborah Page (resigned 17 October 2018) Charles Tomlinson (resigned 26 March 2019) Greg Warwick Malcolm Wyse (appointed 16 October 2018) Margaret Butland (resigned 3 May 2018) Gareth Ecott (resigned 16 October 2018) Ben Ireland (appointed 1 May 2018, resigned 15 February 2019)
Registered number	05392520
Registered office	1 Lurke Street Bedford MK40 3TN
Accountants	MHA MacIntyre Hudson Chartered Accountants Equipoise House Grove Place Bedford MK40 3LE

THE BEDFORDBID COMPANY LIMITED
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THE BEDFORDBID COMPANY LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Directors present their report and the financial statements for the year ended 31 March 2019.

Principal activity

The principal activity of the Company during the year was the initiation and promotion of a Business Improvement District (BID).

Directors commentary

The Company's financial statements are prepared to accounting standards but operate on a cash basis. It is no longer possible to use the surplus/deficit terminology on the profit and loss account under the FRS 102 accounting standard. This is now shown as 'profit' but the company views the results as a surplus/deficit that is carried over for use in the following year.

The income from the town centre voucher scheme is separated so that turnover shown in the financial statements only includes money that can be used for other BID projects and is not reserved to be spent on voucher redemption.

There is a net deficit on vouchers because not all vouchers issued generate income. In 2019 £7,920 (2018: £6,050) of vouchers were issued for promotional purposes including competitions to swell the database for direct marketing purposes, £5 Giveaways at the 40th Anniversary for Bedford's River Festival (redeemed in stores generating upselling), plus a range of free of charge donations to local different community groups and charities to support their fundraising raising activities and special events. Until recently such were covered by non-redemptions, but with the scheme becoming wider known and more popular, the voucher redemptions no longer cover the full amount. Internal processes are better scrutinised and BedfordBID no longer honours out of date vouchers. There is a spending deadline for all vouchers issued which businesses are informed about, and customers made aware of as date stamped on the reverse of all vouchers. There are also some minimal costs involved for printing (administration is included into staff roles) of the vouchers, so voucher costs are now budgeted.

The financial statements only recognise BID levies as they are received and do not recognise levies that have not yet been collected. When considering the variances in 2018 vs. 2019 outturn, the following should be recognised:-

- Other income – year ending 2018 part of the costs associated with the Intercept Study were recouped as this was shared with Harpur Centre management. In 2018/9, no activity.
- Cost of sales, direct wages – year ending 2019 the Office Manager post became part time following departure of Victoria Panther and reallocation of duties between new p/t member, Director of Operations and part website outsourcing at no additional charge.
- Marketing, promotions & events – launch of Love Bedford NOW! and usual biennial budgeted expenditure associated with River Festival.
- Improving the visitor experience – reduction in Bluecap headcount
- Partnerships - the part PCSO funding was withdrawn
- Sustainability 2018 – costs attributed to the two consumer insight research studies undertaken during the summer and Christmas presented at both the September and following February BID Breakfast meetings.
- Staff training and staff welfare – standard variances in timings for training such as First Aid and uniform provisions with reduction in Bluecap headcount
- Subscriptions is a timing issue and Accountancy fees relate to the changes required to implement a Xero accounting system.

THE BEDFORDBID COMPANY LIMITED
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

When considering the amount of cash at bank and in hand, it is important to note the BID4 ballot allowances and reserves were accounted for resulting in £300k 'in the bank' at March 2019 and to recognise the following:

- 2019/20 is a ballot year and advance provisions necessary for either renewal or close.
- Allowances to ensure sufficient funds for first quarter activity ring-fenced for planned expenditure Q1, which includes the standard operating overheads for the first quarter c£140k
- Provision must be made for redemption of vouchers not yet redeemed and VAT return c£27k
- Reserves carried forward accumulated from the previous years to enable the increase in BID4 renewal proposal threshold to align with the statutory 100% small business rates relief to further help support smaller businesses c£135k
- If a valid appeal is lodged, contingency plans were also in place as it is for the Local Authority to decide whether they will pass the levy to the Business Improvement District body or hold it in the revenue account in these circumstances.

If closure is certain, the directors will decide how to progress with the use potential surplus funds immediately after the date of ballot results, 18 October 2019.

Directors

The Directors who served during the year were:

Samantha Laycock
Zahid Hussain
Stephen McBrearty
David Roffey
Daniel Fisher
Christina Rowe
Charles Royden
Mark Thompson (resigned 16 October 2018)
Deborah Page (resigned 17 October 2018)
Charles Tomlinson (resigned 26 March 2019)
Greg Warwick
Malcolm Wyse (appointed 16 October 2018)
Margaret Butland (resigned 3 May 2018)
Gareth Ecott (resigned 16 October 2018)
Ben Ireland (appointed 1 May 2018, resigned 15 February 2019)

THE BEDFORDBID COMPANY LIMITED
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Directors attendance

Attendance during the year at meetings of the Board of Directors was as follows:

	Meetings attended	Out of a possible
Samantha Laycock	7	7
Zahid Hussain	5	7
Stephen McBrearty	7	7
David Roffey	7	7
Daniel Fisher	7	7
Christina Rowe	7	7
Charles Royden	5	7
Greg Warwick	5	7
Margaret Butland (to 3 May 2018)	1	1
Gareth Ecott (to 16 October 2018)	1	3
Mark Thompson (to 16 October 2018)	3	3
Deborah Page (to 17 October 2018)	2	3
Charles Tomlinson (to 26 March 2019)	1	7
Ben Ireland (from 1 May 2018 to 15 February 2019)	2	2
Malcolm Wyse (from 16 October 2018)	3	3

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

.....
Christina Rowe
Director

Date:

THE BEDFORDBID COMPANY LIMITED
(A Company Limited by Guarantee)

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF THE BEDFORDBID COMPANY LIMITED
FOR THE YEAR ENDED 31 MARCH 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The BedfordBID Company Limited for the year ended 31 March 2019 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of The BedfordBID Company Limited, as a body, in accordance with the terms of our engagement letter dated 19 August 2015. Our work has been undertaken solely to prepare for your approval the financial statements of The BedfordBID Company Limited and state those matters that we have agreed to state to the Board of Directors of The BedfordBID Company Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The BedfordBID Company Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that The BedfordBID Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of The BedfordBID Company Limited. You consider that The BedfordBID Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of The BedfordBID Company Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

MHA MacIntyre Hudson
Chartered Accountants
Equipoise House
Grove Place
Bedford
MK40 3LE

Date:

THE BEDFORDBID COMPANY LIMITED
(A Company Limited by Guarantee)

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Turnover	442,244	451,526
Cost of sales	(371,442)	(356,873)
Gross profit	70,802	94,653
Administrative expenses	(45,774)	(53,131)
Operating profit	25,028	41,522
Interest receivable and similar income	411	58
Profit before tax	25,439	41,580
Tax on profit	-	-
Profit after tax	25,439	41,580
Retained earnings at the beginning of the year	253,676	212,096
Profit for the year	25,439	41,580
Retained earnings at the end of the year	279,115	253,676

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of income and retained earnings.

The notes on pages 7 to 9 form part of these financial statements.

THE BEDFORDBID COMPANY LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER:05392520

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Current assets			
Debtors	4	23,063	25,705
Cash at bank and in hand	5	305,397	292,748
		<u>328,460</u>	<u>318,453</u>
Creditors: amounts falling due within one year	6	(49,345)	(64,777)
Net current assets		<u>279,115</u>	253,676
Total assets less current liabilities		<u>279,115</u>	253,676
Net assets		<u><u>279,115</u></u>	<u><u>253,676</u></u>
Capital and reserves			
Profit and loss account		<u>279,115</u>	253,676
		<u><u>279,115</u></u>	<u><u>253,676</u></u>

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
Samantha Laycock
 Director

Date:

The notes on pages 7 to 9 form part of these financial statements.

THE BEDFORDBID COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. General information

The BedfordBID Company Limited is a company limited by guarantee, incorporated in England and Wales.

The registered office address and principal place of business is 1 Lurke Street, Bedford, MK40 3TN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover represents monies remitted (excluding Value Added Tax) by Bedford Borough Council in respect of BID levies collected and monies due from other BID activities during the year.

2.3 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.5 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

THE BEDFORDBID COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Bedford Town Centre Gift Voucher scheme

The Company operates the Bedford Town Centre Gift Voucher scheme. Income received from the issue of vouchers during the year is netted against the corresponding cost and liability recognised for the redemption of those vouchers issued in the year. The net deficit or surplus in the year is included within the cost of sales of the Company.

3. Employees

Details of directors' remuneration is shown within the related party transactions note below.

The average monthly number of employees, including directors, during the year was 12 (2018 - 17).

4. Debtors

	2019	2018
	£	£
Trade debtors	17,340	21,705
VAT	5,723	-
Prepayments and accrued income	-	4,000
	23,063	25,705

5. Cash and cash equivalents

	2019	2018
	£	£
Cash at bank and in hand	305,397	292,748

THE BEDFORDBID COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

6. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	15,700	24,437
Other taxation and social security	-	9,380
Other creditors	26,395	28,060
Accruals and deferred income	7,250	2,900
	49,345	64,777

7. Company status

The Company is limited by guarantee. In the event of the Company being wound up, every member of the Company undertakes to contribute such amounts as may be required (not exceeding one pound) to the assets of the Company.

8. Related party transactions

During the year administrative charges of £12,500 (2018: £12,500) were paid to the Bedford Borough Council for the collection of BID levies. In addition, £30,912 (2018: £54,718) of costs, included within cost of sales, were paid to the Bedford Borough Council relating directly to the various initiatives run by the BID.

Remuneration of £43,431 (2018: £44,571) was paid to the executive director during the year.

THE BEDFORDBID COMPANY LIMITED
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DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Turnover	442,244	451,526
Cost of sales	(371,442)	(356,873)
Gross profit	70,802	94,653
Less: overheads		
Administration expenses	(45,774)	(53,131)
Operating profit	25,028	41,522
Interest receivable	411	58
Profit for the year	25,439	41,580

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THE BEDFORDBID COMPANY LIMITED
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SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Turnover		
BID income	438,600	443,200
Springboard income	1,640	1,640
Utilities income	1,410	1,260
Portas Pilot Scheme grants recognised	-	1,330
Other income	594	4,096
	<u>442,244</u>	<u>451,526</u>

	2019 £	2018 £
Cost of sales		
Direct wages	65,279	70,914
Net deficit of Bedford Town Centre Gift Voucher scheme*	4,438	2,891
Marketing, promotions & events	198,867	164,490
Improving the visitor experience	83,332	87,149
Partnerships	18,051	21,429
Sustainability	1,475	10,000
	<u>371,442</u>	<u>356,873</u>

***Bedford Town Centre Gift Voucher scheme**

	2019 £	2018 £
Voucher sales	82,407	79,849
Voucher costs	(86,845)	(82,740)
Net deficit from administration of voucher scheme	<u>(4,438)</u>	<u>(2,891)</u>

Included within the voucher costs of £86,845 (2018: £82,740) are £7,920 (2018: £3,025) of vouchers issued free of charge for promotional purposes and a £5,000 (2018: £4,852) charge in respect of discounts given on bulk purchases. These costs are considered to be part of the operational costs of the scheme which aims to encourage retail trading within the BID area.

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SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Administration expenses		
Staff training	916	2,032
Staff welfare	3,765	5,609
Printing, stationery and postage	505	545
Telephone	1,570	1,642
Computer costs	1,895	2,931
General expenses	2,179	2,691
Subscriptions	1,420	2,253
Legal and professional	1,515	1,926
Accountancy fees	6,239	4,975
Bank charges	901	801
Rates	10,283	13,317
Service charges	106	-
Insurances	1,980	1,909
Bedford Borough Council levy collection administration charge	12,500	12,500
	45,774	53,131
	2019	2018
	£	£
Interest receivable		
Bank interest receivable	411	58