

**PREPARED FOR THE REGISTRAR
RHYS-DAVIES PROPERTIES LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**



RHYS-DAVIES PROPERTIES LIMITED

COMPANY INFORMATION

Director E V Brain

Company secretary E V Brain

Registered office 66 High Street
Persnore
Worcestershire
WR10 1DU

Accountants Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

RHYS-DAVIES PROPERTIES LIMITED**(REGISTRATION NUMBER: 01022302)
BALANCE SHEET AS AT 30 NOVEMBER 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	-	-
Investment property	6	8,419,958	4,916,000
		<u>8,419,958</u>	<u>4,916,000</u>
Current assets			
Debtors	7	5,188	11,452
Cash at bank and in hand		638,941	477,143
		<u>644,129</u>	<u>488,595</u>
Creditors: Amounts falling due within one year	8	(3,714,727)	(172,110)
Net current (liabilities)/assets		<u>(3,070,598)</u>	<u>316,485</u>
Total assets less current liabilities		5,349,360	5,232,485
Deferred tax liabilities		(6,635)	(1,938)
Net assets		<u>5,342,725</u>	<u>5,230,547</u>
Capital and reserves			
Called up share capital		133	133
Share premium reserve		24,467	24,467
Revaluation reserve		1,018,523	1,023,220
Profit and loss account		4,299,602	4,182,727
Total equity		<u>5,342,725</u>	<u>5,230,547</u>

For the financial year ending 30 November 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 19 MARCH 2020

E V Brain

E V Brain
Director

The notes on pages 3 to 7 form an integral part of these financial statements.

RHYS-DAVIES PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

66 High Street
Perschore
Worcestershire
WR10 1DU

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for rental income and the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Rental income from investment properties, including those on operating leases (net of any incentives given to the lessees), is recognised on a straight-line basis over the lease term.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profits.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% on cost
Fixtures and fittings	20% on cost

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually using observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019

Financial Instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year was as follows:

	2019 No.	2018 No.
Average number of employees	<u>1</u>	<u>1</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019

4 Director's remuneration

During the year the number of directors who were receiving benefits was as follows:

	2019 No.	2018 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

5 Tangible assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 December 2018	4,050	10,635	14,685
Additions	-	-	-
Disposals	-	-	-
	<u>4,050</u>	<u>10,635</u>	<u>14,685</u>
At 30 November 2019			
Depreciation			
At 1 December 2018	4,050	10,635	14,685
Charge for the year	-	-	-
Eliminated on disposal	-	-	-
	<u>4,050</u>	<u>10,635</u>	<u>14,685</u>
At 30 November 2019			
Carrying amount			
At 30 November 2019	-	-	-
At 30 November 2018	-	-	-

6 Investment properties

	2019 £
At 1 December	4,916,000
Additions	3,503,958
Disposals	-
Fair value adjustments	-
At 30 November	<u>8,419,958</u>

The valuation of investment properties was made at the balance sheet date by the director, on an open market basis. The historical cost of the investment properties amounts to £7,394,800 (2018 - £3,890,842).

7 Debtors

	2019 £	2018 £
Trade debtors	5,188	8,340
Other debtors	-	3,112
	<u>5,188</u>	<u>11,452</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019

8 Creditors

	2019	2018
	£	£
Due within one year		
Trade creditors	668	519
Amounts due to related parties	3,500,000	-
Social security and other taxes	35,173	21,155
Other creditors	12,380	9,080
Accrued expenses	51,531	53,943
Corporation tax liability	68,569	56,497
Deferred income	46,406	30,916
	<u>3,714,727</u>	<u>172,110</u>