

Registration number: 11005192

RB Avonmouth Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2019



RB Avonmouth Limited

Contents

Directors' Report	1 to 2
Statement of Directors' Responsibilities	3
Profit and Loss Account	4
Statement of Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8 to 13

RB Avonmouth Limited

Directors' Report for the Year Ended 31 December 2019

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

Principal activity

The principal activity of the company is that of an intermediate parent company

Fair review of the business

During the year a waiver was received in respect of £3,100,129 of the intercompany loan due to Dukehill Finance Limited. Interest of £3,671,090 was charged on the loan to Richardson Barberry Avonmouth Limited and the loan due from Richardson Barberry Avonmouth Limited was impaired by £6,163,000. Other expenses amounted to £90,000 (2018 - £650,000).

The Company's key financial and other performance indicators during the year were as follows:

	2019	2018
Profit/(loss) before tax	£375,067	(£650,000)

Principal risks and uncertainties

The main risks and uncertainties affecting the company are the continued uncertainties of the property market and its affect on its subsidiary company.

Directors of the Company

The directors who held office during the year were as follows:

M F Richardson (resigned 20 November 2019)

L S Richardson (resigned 20 November 2019)

B Holmes (appointed 20 November 2019)

C A Richardson (resigned 20 November 2019)

K Bate (appointed 20 November 2019)

Dividend

The directors do not recommend the payment of a dividend (2018 - £Nil).

Directors' liabilities

The company maintains an appropriate level of directors' insurance whereby directors are indemnified against liabilities to third parties to the extent permitted by the Companies Act. The directors also benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Small companies provisions

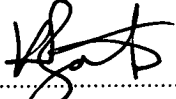
As the company qualifies as a small company the accounts are unaudited.

RB Avonmouth Limited

Directors' Report for the Year Ended 31 December 2019 (continued)

In preparing the directors' report the directors have taken advantage of the exemptions allowed for small companies' set out in the Companies Act 2006.

Approved by the Board on 19 October 2020 and signed on its behalf by:



.....
K Bate
Director

Registered office

4 Birchley Estate
Birchfield Lane
Oldbury
B69 1DT

RB Avonmouth Limited

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has 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.

RB Avonmouth Limited

Profit and Loss Account for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover		-	-
Administrative expenses		(90,000)	(650,000)
Gain from intercompany loans payable		3,100,129	-
(Loss) from changes in provisions		<u>(6,163,000)</u>	<u>-</u>
Operating loss		(3,152,871)	(650,000)
Other interest receivable and similar income		3,671,090	-
Interest payable and similar charges		<u>(143,152)</u>	<u>-</u>
Profit/(loss) before tax		375,067	(650,000)
Taxation	4	<u>(297,755)</u>	<u>81,640</u>
Profit/(loss) for the financial year		<u><u>77,312</u></u>	<u><u>(568,360)</u></u>

Operating loss derives wholly from continuing operations.

RB Avonmouth Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

	2019	2018
	£	£
Profit/(loss) for the year	<u>77,312</u>	<u>(568,360)</u>
Total comprehensive income/(loss) for the year	<u><u>77,312</u></u>	<u><u>(568,360)</u></u>

The notes on pages 8 to 13 form an integral part of these financial statements.

RB Avonmouth Limited
(Registration number: 11005192)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	5	75	75
Current assets			
Debtors	6	26,549,604	1
Creditors: Amounts falling due within one year	7	<u>(27,640,726)</u>	<u>(1,168,435)</u>
Net current liabilities		<u>(1,091,122)</u>	<u>(1,168,434)</u>
Net liabilities		<u>(1,091,047)</u>	<u>(1,168,359)</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account	9	<u>(1,091,048)</u>	<u>(1,168,360)</u>
Shareholder's funds		<u>(1,091,047)</u>	<u>(1,168,359)</u>


For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved and authorised by the Board on 19 October 2020 and signed on its behalf by:



 K Bate
 Director

RB Avonmouth Limited

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £	Profit and loss account £	Total £
At 1 January 2019	1	(1,168,360)	(1,168,359)
Profit for the year	-	77,312	77,312
Total comprehensive income	-	77,312	77,312
At 31 December 2019	1	(1,091,048)	(1,091,047)

	Share capital £	Profit and loss account £	Total £
At 1 January 2018	1	(600,000)	(599,999)
Loss for the year	-	(568,360)	(568,360)
Total comprehensive loss	-	(568,360)	(568,360)
At 31 December 2018	1	(1,168,360)	(1,168,359)

The notes on pages 8 to 13 form an integral part of these financial statements.

RB Avonmouth Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 Accounting policies

RB Avonmouth Limited is a company limited by shares and incorporated in the UK.

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 in the period, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

Basis of preparation

These financial statements have been prepared using applicable accounting standards and in accordance with the Companies Act 2006.

The presentation currency of these financial statements is Sterling and the figures are presented in round pounds.

Summary of disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland":

- The requirements of Section 7 Statement of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- The requirements of Section 11 Financial Instruments paragraphs 11.42 to 11.48C;
- The requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- The requirements of Section 33 Related Party Disclosures 33.7..

Name of parent of group

Since 20 November 2019 the company has been a subsidiary of Red Harvest Limited a company incorporated in Jersey.

Prior to 20 November 2019 the company was a subsidiary of Regalhill Limited a company incorporated in the UK, and was included in the consolidated accounts of that company until that date.

Going concern

The financial statements have been prepared on a going concern basis which the directors believe is appropriate for the following reasons. Red Harvest Limited, the company's parent company, has confirmed that it will continue to provide financial support to the company if needed. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe it will not do so.

RB Avonmouth Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

1 Accounting policies (continued)

Tax

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

The current 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 tax is recognised, without discounting, in respect of timing differences which have arisen but not reversed by the balance sheet date and is provided for if material in value. A deferred tax asset in respect of losses is not created until it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Investments in subsidiaries

Investments in subsidiaries are measured at cost less provision for diminution in value.

Financial assets

Financial assets, other than investments are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instruments contractual obligations, rather than the financial instruments' legal form. Financial liabilities are initially measured at transaction price (including transaction cost) and subsequently held at amortised cost.

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.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are any indicators of impairment of the company's investments and debtors. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of its subsidiary.

2 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2019	2018
	No.	No.
Administration and support	<u>3</u>	<u>3</u>

RB Avonmouth Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

3 Directors' remuneration

No emoluments were paid to the directors during the year (2018 - £Nil).

4 Taxation

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - higher than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £	2018 £
Profit/(loss) before tax	375,067	(650,000)
Corporation tax at standard rate	71,263	(123,500)
Effect of revenues exempt from taxation	(589,025)	-
Effect of expense not deductible in determining taxable profit (tax loss)	1,170,970	-
Effect of tax losses	(12,161)	-
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	-	(81,640)
Tax (decrease) increase arising from group relief	(343,292)	123,500
Total tax charge/(credit)	297,755	(81,640)

Factors that may effect future tax

The standard rate of corporation tax in the UK is to remain at 19% (effective from 1 April 2020) and was substantively enacted on 17 March 2020.

5 Investments in subsidiaries, joint ventures and associates

	2019 £	2018 £
Investments in subsidiaries	75	75
Subsidiaries		£
Cost or valuation		
At 1 January 2019		75
Provision		
Carrying amount		
At 31 December 2019		75
At 31 December 2018		75

RB Avonmouth Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

5 Investments in subsidiaries, joint ventures and associates (continued)

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
Richardson Barberry Avonmouth Limited	UK	A Ordinary shares	75%	75%

The principal activity of Richardson Barberry Avonmouth Limited is Property development

The registered office of Richardson Barberry Avonmouth Limited is 4 Birchley Estate, Birchfield Road, Oldbury, B69 1DT.

6 Debtors

	2019 £	2018 £
Amounts owed by group undertakings	26,549,604	1

7 Creditors

	2019 £	2018 £
Due within one year		
Trade creditors	-	90,000
Amounts due to group undertakings	27,342,971	1,078,435
Income tax liability	297,755	-
	27,640,726	1,168,435

RB Avonmouth Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

9 Reserves

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

10 Related party transactions

Loans to related parties

	Richardson Barberry Avonmouth Limited £
2019	
At start of period	-
Advanced	13,527,806
Intercompany transfers	15,513,708
Interest	3,671,090
Impairment	<u>(6,163,000)</u>
At end of period	<u>26,549,604</u>

Terms of loans to related parties

Interest is charged at 8% on loans to Richardson Barberry Avonmouth Limited. The loan is repayable on demand.

RB Avonmouth Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

10 Related party transactions (continued)

Loans from related parties

	Red Harvest Limited £	Richardson Barberry Avonmouth Limited £	Dukehill Finance Limited £
2019			
At start of period	-	75	1,078,360
Advanced	96,449	-	29,125,139
Repaid	-	(75)	-
Intercompany transfers	27,246,522	-	(27,103,370)
Impairment	-	-	(3,100,129)
At end of period	<u>27,342,971</u>	<u>-</u>	<u>-</u>
			Richardson Barberry Avonmouth Limited £
2018			
At start of period			<u>75</u>
At end of period			<u>75</u>

Terms of loans from related parties

Loans received are interest free and repayable on demand.

11 Parent and ultimate parent undertaking

Since 20 November 2019 the immediate parent was Red Harvest Limited incorporated in Jersey, prior to that date the immediate parent was Dukehill Partners Limited incorporated in the UK.

Since 20 November 2019 the ultimate parent was Anglo Securities Limited incorporated in Jersey, prior to that date the ultimate parent was Regalhill Limited incorporated in the UK.

Since 20 November 2019 the financial statements are not included in any parents publicly available consolidated financial statements, prior to that date the most senior parent entity producing publicly available consolidated financial statements was Regalhill Limited.