

REGISTERED NUMBER: 00021531 (England and Wales)

**THE CATHAYS COTTAGE COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

Watts Gregory LLP  
Chartered Accountants & Statutory Auditors  
Elfed House  
Oak Tree Court  
Cardiff Gate Business Park  
CARDIFF  
County of Cardiff  
CF23 8RS



THE CATHAYS COTTAGE COMPANY LIMITED (REGISTERED NUMBER: 00021531)

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FOR THE YEAR ENDED 31 MARCH 2017**

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**THE CATHAYS COTTAGE COMPANY LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2017**

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**DIRECTORS:**

E L P Weatherill  
G E C Rogers  
C M Parsons  
P B Kelly  
S P Thorpe

**SECRETARY:**

G E C Rogers

**REGISTERED OFFICE:**

2nd Floor Office Suite  
Agincourt House  
Agincourt Square  
MONMOUTH  
NP25 3BT

**REGISTERED NUMBER:**

00021531 (England and Wales)

**AUDITORS:**

Watts Gregory LLP  
Chartered Accountants & Statutory Auditors  
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**BALANCE SHEET**  
**31 MARCH 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	4	5,021	3,527
Investments	5	23,505	23,505
Investment property	6	2,711,700	2,641,400
		<u>2,740,226</u>	<u>2,668,432</u>
<b>CURRENT ASSETS</b>			
Debtors	7	31,879	31,183
Cash at bank		300,678	260,647
		<u>332,557</u>	<u>291,830</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	(162,538)	(146,395)
<b>NET CURRENT ASSETS</b>		<u>170,019</u>	<u>145,435</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,910,245</u>	<u>2,813,867</u>
<b>PROVISIONS FOR LIABILITIES</b>	9	(61,000)	(70,000)
<b>NET ASSETS</b>		<u><u>2,849,245</u></u>	<u><u>2,743,867</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	115,440	115,440
Non-distributable reserve	11	1,180,116	1,103,616
Capital reserve	11	799,485	799,485
Retained earnings	11	754,204	725,326
<b>SHAREHOLDERS' FUNDS</b>		<u><u>2,849,245</u></u>	<u><u>2,743,867</u></u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved for issue by the Board of Directors on 29 June 2017 and were signed on its behalf by:

*E. L. P. Weatherill*

E L P Weatherill - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**1. STATUTORY INFORMATION**

The Cathays Cottage Company Limited is a private company, limited by shares and incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The company's functional and presentational currency in the financial statements is the Sterling (£), rounded to the nearest pound.

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

There have been no material departures from Financial Reporting Standard 102 1A.

These financial statements for the year ended 31 March 2017 are the first financial statements that comply with Financial Reporting Standard 102 1A. The date of transition is 1 April 2015.

The transition to Financial Reporting Standard 102 1A has resulted in a small number of changes in accounting policies to those used previously.

The nature of these changes and their impact on opening equity and profit for the comparative period are explained in the following notes.

The financial statements contain information about The Cathays Cottage Company Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 399 of the Companies Act 2006 not to prepare consolidated financial statements.

**Turnover**

The turnover shown in the profit and loss account represents gross rent receivable for the year.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Furniture, fixtures and fittings	20% / 33% straight line
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**Investments**

Investments are recorded at cost less any provision required for diminution in value.

**Investment property**

Investment properties are carried at fair value determined annually by independent professional valuers. Revaluation surpluses and deficits are recognised in the profit and loss account. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold, or the deferred tax liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**2. ACCOUNTING POLICIES - continued**

**Current tax**

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that 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.

Deferred tax is measured on an un-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Pension costs and other post-retirement benefits**

The company operates a money purchase pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

**Employee benefits**

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

**Non-derivative financial instruments**

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, trade and other creditors and interest free loans.

Unless otherwise stated, the carrying value of the company's financial assets and liabilities are a reasonable approximation of their fair values.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 5 (2016 - 5).

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2017

4. TANGIBLE FIXED ASSETS

	Furniture, fixtures and fittings £
<b>COST</b>	
At 1 April 2016	43,885
Additions	3,798
Disposals	(1,477)
At 31 March 2017	<u>46,206</u>
<b>DEPRECIATION</b>	
At 1 April 2016	40,358
Charge for year	2,304
Eliminated on disposal	(1,477)
At 31 March 2017	<u>41,185</u>
<b>NET BOOK VALUE</b>	
At 31 March 2017	<u>5,021</u>
At 31 March 2016	<u>3,527</u>

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Participating interests £	Unlisted investments £	Totals £
<b>COST</b>				
At 1 April 2016 and 31 March 2017	<u>14,179</u>	<u>4,273</u>	<u>5,053</u>	<u>23,505</u>
<b>NET BOOK VALUE</b>				
At 31 March 2017	<u>14,179</u>	<u>4,273</u>	<u>5,053</u>	<u>23,505</u>
At 31 March 2016	<u>14,179</u>	<u>4,273</u>	<u>5,053</u>	<u>23,505</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2017

## 5. FIXED ASSET INVESTMENTS - continued

The investments consist wholly of equity share capital in unquoted companies incorporated in England and Wales as follows:

Company	Cost of shares £	Size of holding (%)	Year end of latest accounts	Capital & reserves £	Profit/(loss) for year £
<b>Group undertakings</b>					
Avoca Estate Company Limited*	14,179	100.0%	31.03.17	115,671	-
<b>Participating interests</b>					
The Cardiff Exchange and Office Company Limited	4,273	20.75%	30.06.16	1,215,059	37,357
<b>Unlisted investments</b>					
Barry Island Cottage Company Limited	1,778	6.37%	31.12.16	4,062,110	230,739
Glamorgan Investments Limited	3,275	6.81%	30.06.16	5,295,487	145,552

\* Dormant

Except for the dormant company, all above companies undertook similar activities to The Cathays Cottage Company Limited.

## 6. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1 April 2016	2,641,400
Additions	2,800
Revaluations	67,500
At 31 March 2017	2,711,700
<b>NET BOOK VALUE</b>	
At 31 March 2017	2,711,700
At 31 March 2016	2,641,400

Cost or valuation at 31 March 2017 is represented by:

Valuation in 2017	£ 2,711,700
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Investment property held at 31 March 2017 is included at its independent professional valuation at that date. The valuations have been carried out by Horace John, Forse & Co. Chartered Surveyors on a market value basis in accordance with the RICS Valuation - Professional Standards (The Red Book) 2014 Edition. The historic cost equivalent of these assets is £1,470,584 (2016: £1,467,784). The methods and significant assumptions used to ascertain the fair value are as follows:

- Recent sales prices of comparative properties in similar areas
- Properties have been valued on an individual stand alone basis and not on the basis of a sale as part of a portfolio

Revaluation gains of £67,500 (2016: £107,920) have been recognised in the profit and loss account.



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2017

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	2,148	1,845
Other debtors	23,974	22,507
Prepayments and accrued income	5,757	6,831
	<u>31,879</u>	<u>31,183</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	9,633	1,143
Amounts owed to group undertakings	115,671	115,671
Corporation tax	18,083	7,973
Rents in advance	7,967	10,047
Accruals	11,184	11,561
	<u>162,538</u>	<u>146,395</u>

9. PROVISIONS FOR LIABILITIES

	2017 £	2016 £
Deferred tax	<u>61,000</u>	<u>70,000</u>
		Deferred tax £
Balance at 1 April 2016		70,000
Credit to profit and loss		(9,000)
Balance at 31 March 2017		<u>61,000</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid: Number:	Class:	Nominal value: £1	2017 £	2016 £
115,440	Ordinary		<u>115,440</u>	<u>115,440</u>

11. RESERVES

	Retained earnings £	Non-distributable reserve £	Capital reserve £	Totals £
At 1 April 2016	725,326	1,103,616	799,485	2,628,427
Profit for the year	171,179			171,179
Dividends	(65,801)			(65,801)
Revaluation of investment properties	(67,500)	67,500	-	-
Deferred tax on investment properties	(9,000)	9,000	-	-
At 31 March 2017	<u>754,204</u>	<u>1,180,116</u>	<u>799,485</u>	<u>2,733,805</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Christopher Hatcher BSc FCA (Senior Statutory Auditor)  
 for and on behalf of Watts Gregory LLP

**13. RELATED PARTY DISCLOSURES**

Details of the company's related parties, where there were transactions during the year such as require disclosure under Financial Reporting Standard 102 1A or otherwise, are:-

<b>Name</b>	<b>Nature of relationship</b>
Avoca Estate Company Limited	Entity over which the company has control
Glamorgan Investments Limited	Entity has significant influence over the company
The Cardiff Exchange and Office Company Limited	Company has significant influence over the entity

During the year the company entered into transactions, in the ordinary course of business, with its related parties. Transactions entered into, and balances outstanding at the year end, are as follows:

	2017 £	2016 £
<b>Entities with significant influence over the company</b>		
Dividends received	8,338	8,583
Dividends paid	27,170	21,927
<b>Entities under significant influence by the company</b>		
Dividends received	7,751	6,852
Loan debtor	23,407	22,507
<b>Key management personnel</b>		
Dividend paid	3,189	2,574

Transactions in which directors have an interest:

During the year, the company's insurance premiums on its properties resulted in a share of the brokers commission being paid to Mrs G E C Rogers, entirely at the broker's discretion. The Board of Directors is satisfied with this arrangement.