

Audited Financial Statements for the Year Ended 31 March 2020

for

Rowlandson Investments Limited

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for the Year Ended 31 March 2020**

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Rowlandson Investments Limited

**Company Information
for the Year Ended 31 March 2020**

DIRECTORS:

R G St J Rowlandson FCA
E T M Rowlandson

SECRETARY:

Finance And Industrial Trust Limited(The)

REGISTERED OFFICE:

Graham House
7 Wyllyotts Place
Potters Bar
Hertfordshire
EN6 2JD

REGISTERED NUMBER:

00707194 (England and Wales)

AUDITORS:

KPMG LLP
Statutory Auditor and Chartered Accountants.
58 Clarendon Road
Watford
WD17 IDE

Rowlandson Investments Limited (Registered number: 00707194)

Balance Sheet
31 March 2020

| | Notes | 31.3.20 £ | £ | 31.3.19 £ | £ |
|--|-------|-------------------|---------------------|-------------------|---------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 58,327 | | 67,527 |
| Investments | 5 | | <u>3,223</u> | | <u>38,223</u> |
| | | | 61,550 | | 105,750 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 11,815,822 | | 11,191,874 | |
| Cash at bank and in hand | | <u>258,165</u> | | <u>187,940</u> | |
| | | 12,073,987 | | 11,379,814 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>31,141,868</u> | | <u>29,960,592</u> | |
| NET CURRENT LIABILITIES | | | <u>(19,067,881)</u> | | <u>(18,580,778)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | (19,006,331) | | (18,475,028) |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 8 | | <u>3,456,463</u> | | <u>3,456,463</u> |
| NET LIABILITIES | | | <u>(22,462,794)</u> | | <u>(21,931,491)</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 276,551 | | 276,551 |
| Other reserves | | | 236,302 | | 236,302 |
| Retained earnings | | | <u>(22,975,647)</u> | | <u>(22,444,344)</u> |
| SHAREHOLDERS' FUNDS | | | <u>(22,462,794)</u> | | <u>(21,931,491)</u> |

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2020 and were signed on its behalf by:

E T M Rowlandson - Director

**Notes to the Financial Statements
for the Year Ended 31 March 2020**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

Notwithstanding net liabilities of £22.5 million (2019: £21.9 million), net current liabilities of £19.1 million (2019: £18.6 million), as at 31 March 2020 and a loss for the year then ended of £0.5 million (2019: £11 million), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Directors monitor the liquidity of the Company and other subsidiaries within RO Trading Limited and RO Properties Limited ('the Group') centrally. The directors of the Group have prepared cash flow forecasts incorporating impacts of COVID-19 for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides incorporating no growth projections, the Group is able to cover its operating costs and service its outstanding debt obligations inline with the agreed repayment dates with no resulting cash-shortfall. Those forecasts are dependent on RO Trading Limited not seeking repayment of the amounts currently due to the Company, which at 31 March 2020 amounted to £29.4 million, and providing additional financial support during that period. RO Trading Limited has indicated its intention to continue to make available such funds as are needed by the Company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. 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 that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Preparation of consolidated financial statements

The financial statements contain information about Rowlandson Investments Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, RO Trading Limited, Graham House, 7 Wyllyotts Place, Potters Bar, Hertfordshire, EN6 2JD.

Tangible fixed assets

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

| | |
|-----------------------|-------------------------------|
| Fixtures and fittings | - 15% on cost |
| Computer equipment | - 33% on cost and 25% on cost |

Investments

Fixed asset investments are shown at cost less provision for impairment.

Investments in subsidiary companies represent the cost of acquisition of the share capital less provision for impairment.

Turnover

Turnover represents the value of services sold and fees receivable net of VAT in respect of the provision of management and other services. The whole of the turnover is derived from the UK market.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2020**

2. ACCOUNTING POLICIES - continued

Taxation

UK corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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 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 underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted 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.

Lease commitments

Rentals paid under operating leases are charged on a straight line basis over the lease term, even if payments are not made on such a basis.

Pension costs

The company operates a defined contribution group personal pension scheme. The amount charged to the profit and loss account represents contributions payable by the company to the individual policies effected by the employees with an independent Insurance Company in funds separate from the company's finances.

Debtors

Short term debtors are measured at transaction price, less any Impairment.

Creditors

Short term creditors are measured at transaction price.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on demand.

Long term debt instruments

The finance cost recognised in the profit and loss account in respect of long term debt instruments is allocated to periods over the term of the instrument at a constant rate on the carrying amount.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 6 (2019 - 7) .

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

4. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|------------------------|----------------------------------|----------------------------|---------------|
| COST | | | |
| At 1 April 2019 | 79,715 | 4,864 | 84,579 |
| Additions | - | 5,237 | 5,237 |
| Disposals | - | (985) | (985) |
| At 31 March 2020 | <u>79,715</u> | <u>9,116</u> | <u>88,831</u> |
| DEPRECIATION | | | |
| At 1 April 2019 | 15,771 | 1,281 | 17,052 |
| Charge for year | 11,957 | 1,906 | 13,863 |
| Eliminated on disposal | - | (411) | (411) |
| At 31 March 2020 | <u>27,728</u> | <u>2,776</u> | <u>30,504</u> |
| NET BOOK VALUE | | | |
| At 31 March 2020 | <u>51,987</u> | <u>6,340</u> | <u>58,327</u> |
| At 31 March 2019 | <u>63,944</u> | <u>3,583</u> | <u>67,527</u> |

5. FIXED ASSET INVESTMENTS

| | Shares in group undertakings £ | Other investments £ | Totals £ |
|-----------------------|---|---------------------------|---------------|
| COST | | | |
| At 1 April 2019 | 3,223 | 35,000 | 38,223 |
| Disposals | - | (35,000) | (35,000) |
| At 31 March 2020 | <u>3,223</u> | <u>-</u> | <u>3,223</u> |
| NET BOOK VALUE | | | |
| At 31 March 2020 | <u>3,223</u> | <u>-</u> | <u>3,223</u> |
| At 31 March 2019 | <u>3,223</u> | <u>35,000</u> | <u>38,223</u> |

The above investments are stated at cost less any provision for impairment.

Subsidiary undertakings

The company's principal subsidiary undertakings, all of which are incorporated in England and Wales, are set out below:-

| Name and Nature of Business | Share Class | The Company | Subsidiary Undertakings | Note |
|-------------------------------|----------------|----------------|----------------------------|--|
| Rowlandson Properties Limited | Ordinary | 100% | - | |
| Property Investment | Deferred | 100% | - | |
| Choughley Properties Limited | Ordinary | 66.7% | 33.3% | Held by Derrymoyle Limited |
| Holding Company | | | | |
| Derrymoyle Limited | Ordinary | 62% | 38% | Held by Rowlandson Properties Limited |
| Holding Company | | | | |

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2020**

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.20 | 31.3.19 |
|------------------------------------|-------------------|-------------------|
| | £ | £ |
| Trade debtors | 608 | - |
| Amounts owed by group undertakings | 6,000 | 1,918,412 |
| Amounts owed by related parties | 11,148,639 | 8,728,495 |
| Other debtors | 418,825 | 418,407 |
| Corporation tax | 118,440 | - |
| Deferred tax asset | 27,726 | 35,858 |
| Prepayments | 95,584 | 90,702 |
| | <u>11,815,822</u> | <u>11,191,874</u> |

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.20 | 31.3.19 |
|------------------------------------|-------------------|-------------------|
| | £ | £ |
| Bank loans and overdrafts | 74,116 | 2,960 |
| Trade creditors | 37,722 | 50,208 |
| Amounts owed to group undertakings | 29,508,412 | 27,992,777 |
| Amounts owed to related parties | 498 | 498 |
| Corporation tax | - | 338,735 |
| Social security and other taxes | 13,383 | 12,882 |
| VAT | 50,340 | 1,539 |
| Other creditors | 69,702 | 91,661 |
| Deposits held | 1,326,344 | 1,412,963 |
| Accruals and deferred income | 61,351 | 56,369 |
| | <u>31,141,868</u> | <u>29,960,592</u> |

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 31.3.20 | 31.3.19 |
|--|------------------|------------------|
| | £ | £ |
| Subordinated unsecured loan stock 2050 | <u>3,456,463</u> | <u>3,456,463</u> |
| Amounts falling due in more than five years: | | |
| Repayable otherwise than by instalments | | |
| Subordinated unsecured loan stock 2050 | <u>3,456,463</u> | <u>3,456,463</u> |

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

The Auditors' Report was unqualified.

Mark Smith (Senior Statutory Auditor)
for and on behalf of KPMG LLP

10. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2020**

11. POST BALANCE SHEET EVENTS

There has been no event since the balance sheet date that could materially affect the state of affairs of the company as at 31 March 2020 or that requires disclosure.

12. ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

The company is a subsidiary undertaking of RO Trading Limited a company incorporated in England and Wales.

Mr R G St J Rowlandson, a director of RO Trading Limited and members of his close family, control the company as a result of them owning and controlling the issued share capital of RO Trading Limited, the ultimate parent company.

RO Trading Limited is the parent company of the largest and smallest group of which the company is a member for which consolidated accounts are prepared. Copies of its group accounts can be obtained from Graham House, 7 Wyllyotts Place, Potters Bar, Hertfordshire, EN6 2JD.

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.