

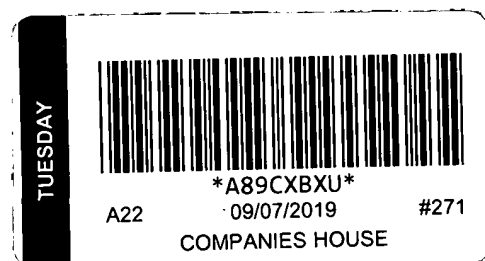
Registered number: 00744899

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## RESIDUAL LANDS LIMITED

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### DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019



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**RESIDUAL LANDS LIMITED**

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**COMPANY INFORMATION**

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|                            |                                                                                                                                    |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| <b>Directors</b>           | N J Phillips, FRICS<br>J D Ford<br>C M A Lane, FCA<br>N G H Manns, FRICS                                                           |
| <b>Company secretary</b>   | C M A Lane, FCA                                                                                                                    |
| <b>Registered number</b>   | 00744899                                                                                                                           |
| <b>Registered office</b>   | 23a Gold Tops<br>Newport<br>South Wales<br>NP20 4UL                                                                                |
| <b>Independent auditor</b> | Grant Thornton UK LLP<br>Chartered Accountants & Statutory Auditor<br>11/13 Penhill Road<br>Cardiff<br>South Glamorgan<br>CF11 9UP |
| <b>Bankers</b>             | National Westminster Bank Plc<br>High Street<br>Newport<br>South Wales<br>NP20 1GG                                                 |

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**RESIDUAL LANDS LIMITED**

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## RESIDUAL LANDS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

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

#### Directors

The directors who served during the year were:

N J Phillips, FRICS  
J D Ford  
C M A Lane, FCA  
N G H Manns, FRICS

#### Directors' responsibilities statement

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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RESIDUAL LANDS LIMITED

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

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**Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**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.



C M A Lane, FCA  
Director

Date: 8 July 2019



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RESIDUAL LANDS LIMITED

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### Opinion

We have audited the financial statements of Residual Lands Limited (the 'Company') for the year ended 31 March 2019, which comprise the Statement of comprehensive income, the Statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RESIDUAL LANDS LIMITED (CONTINUED)

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### Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

### Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RESIDUAL LANDS LIMITED (CONTINUED)

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### Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rhian Owen BSc FCA  
Senior statutory auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Cardiff  
Date: 8 July 2019

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RESIDUAL LANDS LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2019

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|                                             | 2019<br>£      | 2018<br>£      |
|---------------------------------------------|----------------|----------------|
| Turnover                                    | 125,208        | 2,717          |
| Cost of sales                               | (17,215)       | -              |
| <b>Gross profit</b>                         | <b>107,993</b> | <b>2,717</b>   |
| Administrative expenses                     | (7,561)        | (6,307)        |
| <b>Operating profit/(loss)</b>              | <b>100,432</b> | <b>(3,590)</b> |
| Tax on profit/(loss)                        | (17,719)       | -              |
| <b>Profit/(loss) for the financial year</b> | <b>82,713</b>  | <b>(3,590)</b> |

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

There was no other comprehensive income for 2019 (2018:£Nil).

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

**RESIDUAL LANDS LIMITED**  
**REGISTERED NUMBER:00744899**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

|                                                | Note | 2019<br>£               | 2018<br>£               |
|------------------------------------------------|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                            |      |                         |                         |
| Tangible assets                                | 5    | 2                       | 2                       |
|                                                |      | <u>2</u>                | <u>2</u>                |
| <b>Current assets</b>                          |      |                         |                         |
| Stocks                                         | 6    | 221,700                 | 155,407                 |
| Debtors: amounts falling due within one year   | 7    | 934                     | 847                     |
| Cash at bank and in hand                       | 8    | 106,361                 | 5,382                   |
|                                                |      | <u>328,995</u>          | <u>161,636</u>          |
| Creditors: amounts falling due within one year | 9    | (618,496)               | (533,850)               |
| <b>Net current liabilities</b>                 |      | <u>(289,501)</u>        | <u>(372,214)</u>        |
| <b>Total assets less current liabilities</b>   |      | <u>(289,499)</u>        | <u>(372,212)</u>        |
| <b>Net liabilities</b>                         |      | <u><u>(289,499)</u></u> | <u><u>(372,212)</u></u> |
| <b>Capital and reserves</b>                    |      |                         |                         |
| Called up share capital                        |      | 96                      | 96                      |
| Profit and loss account                        |      | (289,595)               | (372,308)               |
|                                                |      | <u><u>(289,499)</u></u> | <u><u>(372,212)</u></u> |

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:



**N J Phillips, FRICS**  
Director



**N G H Manns, FRICS**  
Director

Date: 8 July 2019

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

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## RESIDUAL LANDS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 1. General information

Residual Lands Limited is a private company limited by shares & incorporated in Wales. Registered number 00744899. Its registered head office is located at 23a Gold Tops, Newport, South Wales, NP20 4UL.

The financial statements are prepared in sterling, the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £1.

Residual Lands Limited's principal activity is the active development of land.

#### 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

##### 2.2 Going concern

In preparing the financial statements the directors have considered the current financial position of the company and the likely future cash flows. At the date of issuing the financial statements, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. In forming this conclusion, the directors have considered that, although the company has made a loss in the year and has net liabilities at the balance sheet date, it has the formal support of its ultimate parent company, Newbridge Construction Limited. The directors have assessed the ability of the parent company to provide that support and concluded that it is appropriate to rely on this support in assessing the appropriateness of adopting the going concern basis.

##### 2.3 Tangible fixed assets

Tangible fixed assets are stated at cost. No depreciation is charged on the land or property rights.

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## RESIDUAL LANDS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 2. Accounting policies (continued)

##### 2.4 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

##### 2.5 Turnover

Turnover comprises revenue recognised by the company in respect of land sales and associated revenue. Revenue is recognised on the date of contract completion, and is stated net of Value Added Tax. Turnover arises solely in the United Kingdom.

##### 2.6 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.

##### 2.7 Stocks

Stocks are valued at the lower of cost and net realisable value. Cost represents acquisition costs, materials and appropriate overheads which are directly attributable to the item of stock.

##### 2.8 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.

##### 2.9 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.

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## RESIDUAL LANDS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 2. Accounting policies (continued)

##### 2.10 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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## RESIDUAL LANDS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 2. Accounting policies (continued)

##### 2.11 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

#### 3. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totaled £2,000 (2018: £1,900)

#### 4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

#### 5. Tangible fixed assets

|                          | Land and<br>property<br>rights<br>£ |
|--------------------------|-------------------------------------|
| <b>Cost or valuation</b> |                                     |
| At 1 April 2018          | 2                                   |
| At 31 March 2019         | <u>2</u>                            |
| <b>Net book value</b>    |                                     |
| At 31 March 2019         | <u>2</u>                            |
| At 31 March 2018         | <u>2</u>                            |

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RESIDUAL LANDS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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6. Stocks

|                   | 2019<br>£ | 2018<br>£ |
|-------------------|-----------|-----------|
| Land and property | 221,700   | 155,407   |

7. Debtors

|                                | 2019<br>£ | 2018<br>£ |
|--------------------------------|-----------|-----------|
| Trade debtors                  | 150       | 75        |
| Other debtors                  | 486       | 772       |
| Prepayments and accrued income | 298       | -         |
|                                | 934       | 847       |

8. Cash and cash equivalents

|                          | 2019<br>£ | 2018<br>£ |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | 106,361   | 5,382     |

9. Creditors: Amounts falling due within one year

|                                    | 2019<br>£ | 2018<br>£ |
|------------------------------------|-----------|-----------|
| Trade creditors                    | 960       | 1,741     |
| Amounts owed to group undertakings | 598,196   | 525,806   |
| Corporation tax                    | 17,719    | -         |
| Accruals and deferred income       | 1,621     | 6,303     |
|                                    | 618,496   | 533,850   |

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RESIDUAL LANDS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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10. Financial instruments

|                                                  | 2019<br>£        | 2018<br>£        |
|--------------------------------------------------|------------------|------------------|
| <b>Financial assets</b>                          |                  |                  |
| Financial assets measured at amortised cost      | <u>150</u>       | <u>75</u>        |
| <b>Financial liabilities</b>                     |                  |                  |
| Financial liabilities measured at amortised cost | <u>(600,777)</u> | <u>(533,850)</u> |

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings and accruals.

11. Related party transactions

| Name of related party       | Relationship                                             |
|-----------------------------|----------------------------------------------------------|
| Lynwood Investments Limited | N J Phillips, FRICS (Director with significant interest) |

During the year, Residual Lands Limited made purchases from Lynwood Investments Limited of £7,173 (2018: £Nil). At 31 March 2019, there was £7,173 (2018: £Nil) owing to Lynwood Investments Limited.

The company has taken advantage of the exemption conferred by FRS 102 section 33 'Related party transactions', as a subsidiary undertaking which is 100% controlled by the ultimate parent undertaking, and has not disclosed transactions with its parent company, Newbridge Construction Limited, and other group companies.

12. Controlling party

The immediate parent company and ultimate parent company is Newbridge Construction Limited, a company registered in England and Wales. This is the parent of the smallest and largest group of which the company is a member. Consolidated financial statements are not prepared. Newbridge Construction Limited's registered address is: 23a Gold Tops, Newport, South Wales, NP20 4UL.

Copies of the financial statements of Newbridge Construction Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The directors consider that there is no ultimate controlling party.