

**CEDARVALE**

**Company Registration No: 02220037**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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## **DIRECTORS' REPORT**

The Directors present their Annual Report and the Financial Statements of the Company, together with the Auditor's Report, for the year ended 31 December 2016.

This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

### **Principal activity**

The Company's principal activity is property development, which is carried out through a share in The Ashford Great Park Partnership. The Directors expect the general level of activity to continue.

### **Results**

The Company's results are set out in the Statement of Income and Retained Earnings on page 7 and the Balance Sheet on page 8 including charitable donations of £75,774 (2015:£16,062). The charitable donations were made to the ultimate parent undertaking, the Church Commissioners for England, to support the Church of England's ministry, particularly in areas of need and opportunity.

### **Financial risk management**

The Company is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the Company's business and the assets and liabilities contained within the Company's Balance Sheet the Directors consider that there are sufficient procedures in place to mitigate these risks.

### **Going concern**

After making enquiries, the Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

### **Directors**

The Directors of the Company, who held office at date of signing and throughout the year, were:

R L Carroll  
R B K Jones  
J W Cannon  
J C Weir

### **Auditor**

Each Director at the date of approval of this report confirms that:

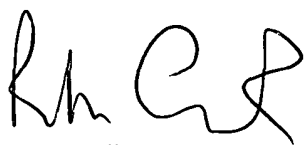
- so far as the Directors are aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Grant Thornton UK LLP were appointed for the year ended 31 December 2016, by a resolution of the Directors.

**DIRECTORS' REPORT (CONTINUED)**

**Approved by the Board on 14<sup>th</sup> September 2017 and signed on its behalf by:**

A handwritten signature in black ink, appearing to be 'R L Carroll', written in a cursive style.

R L Carroll  
Company Secretary and Director

15<sup>th</sup> September 2017

**Registered Office**  
29 Great Smith Street  
London  
SW1P 3PS

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Annual 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 laws, 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 preparing the annual report in accordance with applicable law and regulations. The directors consider the annual report and the financial statements, taken as a whole, provides the information necessary to assess the company's performance, business model and strategy and is fair, balanced and understandable.

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.

To the best of my knowledge:

- the Company financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the annual report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.



R L Carroll  
Company Secretary and Director

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CEDARVALE**

We have audited the financial statements of Cedarvale for the year ended 31 December 2016 which comprise the balance sheet, the statement of comprehensive income and retained earnings, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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.

### **Opinion 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.
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters 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 any material misstatements in the Directors' Report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CEDARVALE (CONTINUED)****Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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 financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

**Paul Flatley**

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

**London**

Date: 15 September 2017

**STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016	2015
		£	£
Administrative expenses		(5,710)	(5,190)
<b>Operating loss</b>		<b>(5,710)</b>	<b>(5,190)</b>
Income from participating interests	10	5,043,225	2,863,745
Interest receivable	4	289,385	305,382
<b>Profit on ordinary activities before tax</b>		<b>5,326,900</b>	<b>3,163,937</b>
Charitable donation	6	(75,774)	(16,062)
<b>Retained profit for the financial year</b>		<b>5,251,126</b>	<b>3,147,875</b>
<b>Opening shareholder's funds</b>		<b>16,244,164</b>	<b>13,096,289</b>
<b>Closing shareholder's funds</b>		<b>21,495,290</b>	<b>16,244,164</b>

The notes 1 to 13 form part of these Financial Statements.

The expenses all relate to continuing operations, none of which were acquired in the year.

There is no difference between the loss on ordinary activities before and after taxation for the year stated above and their historical cost equivalents.

There are no gains and losses for 2015 and 2016 other those included above.

There are no changes in equity other than movements shown above and therefore no separate Statement of Changes in Equity has been included.

## BALANCE SHEET AS AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Investment in partnership	7	498,020	-
<b>Current assets</b>			
Debtors	8	21,007,482	20,799,306
<b>Total current assets</b>		<b>21,007,482</b>	<b>20,799,306</b>
Creditors: Amounts falling due within one year	9	(10,212)	(9,937)
<b>Total assets less current liabilities</b>		<b>21,495,290</b>	<b>20,789,369</b>
Provision for Partnership liability	10	-	(4,545,205)
<b>Net assets</b>		<b>21,495,290</b>	<b>16,244,164</b>
<b>Capital and Reserves</b>			
Called up share capital	11	100	100
Profit and loss account		21,495,190	16,244,064
<b>Shareholder's funds</b>		<b>21,495,290</b>	<b>16,244,164</b>

The notes 1 to 13 form part of these financial statements.

The Directors have taken advantage of exemptions for small companies in these Financial Statements.

The Financial Statements of Cedarvale (Company No. 02220037) were approved and authorised for issue by the Board of Directors on 14<sup>th</sup> September 2017 and signed on its behalf by



**J W Cannon**  
Director

15<sup>th</sup> September 2017



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016****1. Accounting policies**

The principal accounting are summarised below. They have all been consistently applied throughout the year and to the preceding year.

**Basis of preparation**

The Financial Statements have been prepared under the historical cost convention, except for the measurement at fair value of investments and in accordance with applicable United Kingdom law and accounting standards (Financial Reporting Standard 102) and applicable law.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its Financial Statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of cash flow statement and remuneration of key management personnel.

The Financial Statements contain information about Cedarvale 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 requirement to prepare and deliver consolidated financial statements as it and its partnership interest are included by full consolidation in the consolidated financial statements of the Church Commissioners for England, a statutory body established by the Church Commissioners Measure 1947 (as amended). Consequently, the Company has taken advantage of the exemption conferred by Regulation 7 of the Partnerships (Accounts) Regulations 2008 from the requirement to publish the financial statements of The Ashford Great Park Partnership.

**Going concern**

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

**Investment in partnership**

The investment in The Ashford Great Park Partnership is such that the Company enjoys joint ownership of the Partnership's assets and has joint and several liability in respect of all liabilities incurred by the Partnership. The Partners have agreed to share the profits and losses of the Partnership in accordance with the terms of the partnership agreement. The investment in the Partnership is accounted for using the equity method. The profit and loss includes the Company's share of the Partnership profits while the Company's share of the net assets or liabilities of the Partnership is shown in the balance sheet.

The Company recognises its share of the Partnership's profits or losses on the basis of the profit-sharing and distribution arrangements agreed between the Partners.

**Taxation**

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

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

## 1. Accounting policies (continued)

### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have arisen between the recognition of gains and losses in the Financial Statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which future reversals of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

### Provision

A provision is recognised where the Company has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount.

### Cash flow statement

The Company is a wholly owned subsidiary of the Church Commissioners for England who publish consolidated financial statements that include a consolidated cash flow statement. The cash flows of the Company are included in the consolidated group cash flow statement. Consequently the Company is exempt under paragraph 1.12(b) of FRS 102 from presenting a separate cash flow statement.

## 2. Accounting judgements

In the application of the Company's accounting policies, which are described in note 1, the Directors are 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.

## 3. Employees' and Directors' remuneration

The average monthly number of employees during the year was nil (2015: nil).

The Directors, who are employed by the ultimate parent undertaking, did not receive remuneration from the Company in the current year or the preceding year.

## 4. Interest receivable

	2016	2015
	£	£
Inter-company interest receivable	289,385	305,382

## 5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2016	2015
	£	£
Fee payable to the Company's Auditor for the audit of the Company's annual Financial Statements	1,210	1,440

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

### 6. Taxation

#### Current year tax charge

There was no tax charge in 2016 as the Company has utilised taxable losses brought forward and intends to make a qualifying payment to the Church Commissioners for England (a registered charity and the Company's ultimate parent) which, by virtue of section 199 Corporation Tax Act 2010 ("CTA 2010"), will be treated as a qualifying charitable donation made in 2016 and deductible for tax purposes under section 189 CTA2010. There was no tax charge in 2015.

#### Factors affecting tax charge for the current year

	2016 £	2015 £
Profit on ordinary activities before taxation	5,326,900	3,163,937
Tax on profit on ordinary activities at 20% (2015: 20.25%)	1,065,380	640,697
Utilisation of brought forward losses	(1,050,225)	(637,445)
Charitable donation	(15,155)	(3,252)
<b>Current tax charge for the year</b>	-	-

From 1 April 2015 the UK corporation tax rate changed from 21% to 20%.

#### Factors that may affect the future tax charge

A deferred tax asset has not been recognised in respect of timing differences relating to tax losses carried forward as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £10.1m (2015: £11.2m). Further tax losses may be utilised if sufficient taxable profits arise in future years following a disposal of property or a change in the value of the Company's investment in partnership.

### 7. Investment in partnership

The investment in partnership comprises an interest in The Ashford Great Park Partnership (of Church House, Great Smith Street, London SW1P 3PS). Under the terms of the Partnership agreement, the Company provides 90% of the Partnership's funding and is entitled to 90% of the Partnership's profit. The Partnership's total turnover for the year ended 31 December 2016 was £2,855,782 (2015: £2,091,046).

#### Net book value

At 31 December 2015

Change in value in the year

**At 31 December 2016**

£

498,020

**498,020**

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

## 8. Debtors

	2016	2015
	£	£
Amounts owed by the ultimate parent undertaking	21,007,482	20,799,306
<b>Total debtors</b>	<b>21,007,482</b>	<b>20,799,306</b>

The amounts owed from the ultimate parent undertaking bear interest at a rate of 1% over base, are unsecured and have no fixed repayment date.

## 9. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	-	-
Accruals and deferred income	10,212	9,936
Other creditors	-	1
<b>Total creditors: amounts falling due within one year</b>	<b>10,212</b>	<b>9,937</b>

## 10. Provision for Partnership Liability

A liability arose from the Company's interest in The Ashford Great Park Partnership (of Church House, Great Smith Street, London SW1P 3PS). Under the terms of the Partnership agreement, the Company provides 90% of the Partnership's funding and is liable for 90% of the Partnership's net deficit.

The movement during the year is as follows:

	2016	2015
	£	£
<u>Provision</u>		
At 1 January	4,545,205	7,408,950
Movement on provision arising from:		
Share of retained profit	(4,545,205)	(2,863,745)
<b>At 31 December</b>	<b>-</b>	<b>4,545,205</b>

## 11. Called Up Share capital

	2016	2015
	£	£
<b>Authorised ordinary shares of £1 each</b>	<b>61,000</b>	<b>61,000</b>
Issued, called up and fully paid:		
<b>100 Ordinary shares of £1 each</b>	<b>100</b>	<b>100</b>

## 12. Related parties

The Company has taken advantage of the exemption granted in Financial Reporting Standard 102 Section 1A not to disclose transactions with fellow group undertakings.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016  
(CONTINUED)****13. Ultimate parent undertaking**

The Directors regard Cricklewood Trading Estates Limited as the immediate parent company. Cricklewood Trading Estates Limited is wholly owned and controlled by the ultimate parent undertaking, the Church Commissioners for England, a statutory body established by the Church Commissioners Measure 1947 (as amended) and a Public Benefit Entity. The smallest and largest group in which the results of Cedarvale are consolidated is that headed by the Church Commissioners for England. Copies of the Church Commissioners' consolidated financial statements may be obtained from The Communications Department, Church Commissioners, Church House, Great Smith Street, London SW1P 3AZ.