

**REGISTERED NUMBER: 02997375 (England and Wales)**

**TOWER COLLIERY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

Gerald Thomas  
Chartered Accountants and Statutory Auditor  
3 New Mill Court  
Swansea Enterprise Park  
Swansea  
SA7 9FG

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FOR THE YEAR ENDED 30 JUNE 2018**

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**TOWER COLLIERY LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2018**

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|----------------------------------|---|
| <b>DIRECTORS:</b>                | T O'Sullivan OBE<br>G N Davies OBE<br>A Shott<br>W Thomas<br>C Philpotts  |
| <b>SECRETARY:</b>                | G N Davies OBE  |
| <b>REGISTERED OFFICE:</b>        | Tower Colliery, Treherbert Road<br>Hirwaun<br>Aberdare<br>CF44 9UF  |
| <b>REGISTERED NUMBER:</b>        | 02997375 (England and Wales)  |
| <b>SENIOR STATUTORY AUDITOR:</b> | Brian Garland   |
| <b>AUDITORS:</b>                 | Gerald Thomas<br>Chartered Accountants and Statutory Auditor<br>3 New Mill Court<br>Swansea Enterprise Park<br>Swansea<br>SA7 9FG |
| <b>BANKERS:</b>                  | Barclays Bank Plc   |

**BALANCE SHEET**  
**30 JUNE 2018**

|  | Notes | 2018<br>£      | £              | 2017<br>£        | £                |
|--|-------|----------------|----------------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                |                |                  |                  |
| Tangible assets                              | 3     |                | 101,143        |                  | 104,716          |
| Investments                                  | 4     |                | <u>7,422</u>   |                  | <u>125,115</u>   |
|  |       |                | 108,565        |                  | 229,831          |
| <b>CURRENT ASSETS</b>                        |       |                |                |                  |                  |
| Debtors                                      | 5     | 74,415         |                | 2,661,895        |                  |
| Investments                                  | 6     | 100,873        |                | 100,873          |                  |
| Cash at bank                                 |       | <u>663,357</u> |                | <u>1,361,862</u> |                  |
|  |       | 838,645        |                | 4,124,630        |                  |
| <b>CREDITORS</b>                             |       |                |                |                  |                  |
| Amounts falling due within one year          | 7     | <u>801,324</u> |                | <u>1,087,208</u> |                  |
| <b>NET CURRENT ASSETS</b>                    |       |                | <u>37,321</u>  |                  | <u>3,037,422</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                | <u>145,886</u> |                  | <u>3,267,253</u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                |                |                  |                  |
| Called up share capital                      |       |                | 1              |                  | 1                |
| Retained earnings                            | 8     | <u>145,885</u> |                | <u>3,267,252</u> |                  |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                | <u>145,886</u> |                  | <u>3,267,253</u> |

**BALANCE SHEET - continued**  
**30 JUNE 2018**

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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 Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 17 May 2019 and were signed on its behalf by:

G N Davies OBE - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**1. STATUTORY INFORMATION**

Tower Colliery Limited is a private company, limited by shares, registered in England and Wales. The company's registered number, registered office and principal place of business address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Turnover**

Turnover represents net invoiced sales of goods and services, and management fees excluding value added tax.

**Revenue recognition**

Revenue from the provision of services and management fee income is recognised evenly over the period to which it relates. Revenue from the sale of goods is recognised on despatch.

**Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation net of depreciation and any provision for impairment.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or if held under finance lease, over the lease term, whichever is the shorter.

Plant and machinery - 20% reducing balance

Motor vehicles - 25% reducing balance

No depreciation is provided on land.

**Revaluation of land and buildings**

Individual land and buildings are held at valuation, with the surplus or deficit in book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus or reversal of a deficit, over depreciated cost relating to the same property, is charged (credited) to the income statement.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2018

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2. ACCOUNTING POLICIES - continued

**Financial instruments**

**Basic financial assets**

Basic financial assets, which include trade debtors, other debtors and cash and bank balances, are initially measured at transaction price, including transaction costs. They are subsequently carried at amortised cost using the effective interest rate method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

**Current tax**

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by 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.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Going concern**

In preparing the financial statements, the directors have considered the current financial position of the company and likely future cashflows. The company has made a loss in the year and has both net current liabilities and net liabilities at the balance sheet date. However the company has a cash balance of £663,357 at the balance sheet date. The directors are confident that the company is well placed to manage its business risks successfully, despite the uncertain economic outlook.

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 financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2018

## 3. TANGIBLE FIXED ASSETS

|                          | Land and<br>buildings<br>£ | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Totals<br>£    |
|--------------------------|----------------------------|-----------------------------|------------------------|----------------|
| <b>COST OR VALUATION</b> |                            |                             |                        |                |
| At 1 July 2017           | 115,000                    | 641,786                     | 22,114                 | 778,900        |
| Impairments              | -                          | (621,786)                   | -                      | (621,786)      |
| At 30 June 2018          | <u>115,000</u>             | <u>20,000</u>               | <u>22,114</u>          | <u>157,114</u> |
| <b>DEPRECIATION</b>      |                            |                             |                        |                |
| At 1 July 2017           | 14,857                     | 637,213                     | 22,114                 | 674,184        |
| Impairments              | -                          | (618,213)                   | -                      | (618,213)      |
| At 30 June 2018          | <u>14,857</u>              | <u>19,000</u>               | <u>22,114</u>          | <u>55,971</u>  |
| <b>NET BOOK VALUE</b>    |                            |                             |                        |                |
| At 30 June 2018          | <u>100,143</u>             | <u>1,000</u>                | <u>-</u>               | <u>101,143</u> |
| At 30 June 2017          | <u>100,143</u>             | <u>4,573</u>                | <u>-</u>               | <u>104,716</u> |

The directors are of the opinion that the carrying value of the land and buildings is not materially different from the fair value at the balance sheet date.

## 4. FIXED ASSET INVESTMENTS

|                       | Shares in<br>group<br>undertakings<br>£ | Interest<br>in joint<br>venture<br>£ | Totals<br>£    |
|-----------------------|---|--------------------------------------|----------------|
| <b>COST</b>           |   |                                      |                |
| At 1 July 2017        | 125,000                                 | 115                                  | 125,115        |
| Impairments           | (117,693)                               | -                                    | (117,693)      |
| At 30 June 2018       | <u>7,307</u>                            | <u>115</u>                           | <u>7,422</u>   |
| <b>NET BOOK VALUE</b> |   |                                      |                |
| At 30 June 2018       | <u>7,307</u>                            | <u>115</u>                           | <u>7,422</u>   |
| At 30 June 2017       | <u>125,000</u>                          | <u>115</u>                           | <u>125,115</u> |

## 5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 2018<br>£     | 2017<br>£        |
|---------------------------------|---------------|------------------|
| Trade debtors                   | 4,880         | 500              |
| Amounts owed by related parties | 61,777        | 2,645,449        |
| Other debtors                   | 2,500         | 9,688            |
| Corporation tax recoverable     | 258           | 258              |
| Prepayments and accrued income  | 5,000         | 6,000            |
|                                 | <u>74,415</u> | <u>2,661,895</u> |



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2018**6. CURRENT ASSET INVESTMENTS**

|                      | 2018<br>£      | 2017<br>£      |
|----------------------|----------------|----------------|
| Cash held on deposit | <u>100,873</u> | <u>100,873</u> |

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | 2018<br>£      | 2017<br>£        |
|---------------------------------|----------------|------------------|
| Amounts owed to related parties | 774,786        | 1,055,096        |
| Social security and other taxes | 2,800          | 4,900            |
| VAT                             | 4,438          | 562              |
| Other creditors                 | 3,000          | 3,000            |
| Accruals and deferred income    | <u>16,300</u>  | <u>23,650</u>    |
|                                 | <u>801,324</u> | <u>1,087,208</u> |

**8. RESERVES**

|                      | Retained<br>earnings<br>£ |
|----------------------|---------------------------|
| At 1 July 2017       | 3,267,252                 |
| Deficit for the year | (2,466,228)               |
| Dividends            | <u>(655,139)</u>          |
| At 30 June 2018      | <u>145,885</u>            |

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

The Report of the Auditors was unqualified.

Brian Garland (Senior Statutory Auditor)  
for and on behalf of Gerald Thomas

**10. CONTINGENT LIABILITIES**

The company has provided an unlimited guarantee in respect of the joint venture undertaking Tower Regeneration Limited.

The guarantee is secured on the stocks and shares of the company.

**11. 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.

Amounts owed by related parties £25,000 (2017 - £2,608,672) were due from Tower Regeneration Limited, a company in which Tower Colliery Limited owns 50% of the shares. A balance of £2,546,054 has been fully provided for in the year ended 30 June 2018. £25,000 owing from Tower Regeneration Limited as at 30 June 2018 was in respect of management fees and was received in full subsequent to the balance sheet date.

12. **ULTIMATE CONTROLLING PARTY**

The company's immediate and ultimate parent company is Goitre Tower Anthracite Limited, a company registered in England and Wales. The directors do not believe there to be an ultimate controlling party. Copies of the financial statements of Goitre Tower Anthracite Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

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.