

Unaudited Financial Statements

Sully Development Company Limited

For the Year Ended 31 March 2017

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COMPANIES HOUSE

Registered number: 04643148

Sully Development Company Limited

Company Information

Directors	R A E Herbert, CBE (resigned 22 November 2016) B C Herbert
Company secretary	C M A Lane, FCA
Registered number	04643148
Registered office	23a Gold Tops Newport South Wales NP20 4UL
Accountants	Grant Thornton UK LLP Chartered Accountants 11/13 Penhill Road Cardiff South Glamorgan CF11 9UP
Bankers	National Westminster Bank Plc High Street Newport South Wales NP20 1GG

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Sully Development Company Limited

Directors' Report

For the Year Ended 31 March 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

Directors

The directors who served during the year were:

R A E Herbert, CBE (resigned 22 November 2016)

B C Herbert

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 on **19 September 2017** and signed on its behalf.



C M A Lane, FCA
Secretary

Report to the directors on the preparation of the unaudited statutory financial statements of Sully Development Company Limited for the year ended 31 March 2017

We have compiled the accompanying financial statements of Sully Development Company Limited based on the information you have provided. These financial statements comprise the Balance Sheet of Sully Development Company Limited as at 31 March 2017, the Profit and Loss Account for the year then ended, and a summary of significant accounting policies and other explanatory information.

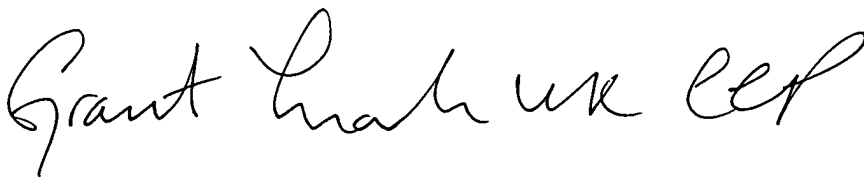
This report is made solely to the Board of Directors of Sully Development Company Limited, as a body, in accordance with the terms of our engagement letter dated 11 September 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Sully Development Company Limited and state those matters that we have agreed to state to the Board of Directors of Sully Development Company Limited, as a body, in this report in accordance with our engagement letter dated 11 September 2017. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sully Development Company Limited and its Board of Directors, as a body, for our work or for this report.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.



Grant Thornton UK LLP

Chartered Accountants

Cardiff

Date:

22 September 2017

Statement of Comprehensive Income

For the Year Ended 31 March 2017

	Note	2017 £	2016 £
Administrative expenses		(5,669)	(15,859)
Operating loss		(5,669)	(15,859)
Tax on loss		-	-
Loss for the financial year		(5,669)	(15,859)
Other comprehensive income for the year			
Total comprehensive income for the year		(5,669)	(15,859)

The notes on pages 5 to 8 form part of these financial statements.

Statement of Financial Position

As at 31 March 2017

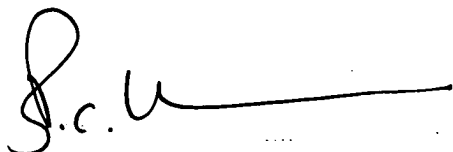
	Note	2017 £	2016 £
Current assets			
Stocks	4	651,821	650,405
Debtors: amounts falling due within one year	5	1,615	6,033
Cash at bank and in hand	6	943	6,950
		<u>654,379</u>	<u>663,388</u>
Creditors: amounts falling due within one year	7	(809,703)	(813,043)
Net current liabilities		<u>(155,324)</u>	<u>(149,655)</u>
Total assets less current liabilities		<u>(155,324)</u>	<u>(149,655)</u>
Net liabilities		<u><u>(155,324)</u></u>	<u><u>(149,655)</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(155,424)	(149,755)
		<u><u>(155,324)</u></u>	<u><u>(149,655)</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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:



B C Herbert
Director

Date: 19 September 2017

The notes on pages 5 to 8 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 March 2017

1. General information

Sully Development Company Limited is a private company limited by shares and incorporated in Wales, with its registered office 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.

The company's principal activity is the development of building projects.

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 accounting policies.

The following principal accounting policies have been applied:

2.2 Stocks

Stocks are stated at the lower of cost and net realisable value and consist of land and property held for resale and development.

At each reporting date, stock is assessed for impairment. The impairment loss is recognised immediately in profit or loss.

2.3 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.

2.4 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.

2.5 Financial instruments

The Company only enters into basic financial instruments 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

Notes to the Financial Statements

For the Year Ended 31 March 2017

2. Accounting policies (continued)

2.5 Financial instruments (continued)

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 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.

2.6 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.

3. Employees

The average monthly number of employees, including directors, during the year was 0 (2016 -0).

4. Stocks

	2017 £	2016 £
Stocks	651,821	650,405
	<u>651,821</u>	<u>650,405</u>

Stocks consist of land and property.

Notes to the Financial Statements

For the Year Ended 31 March 2017

5. Debtors

	2017 £	2016 £
Other debtors	700	5,158
Prepayments and accrued income	915	875
	<u>1,615</u>	<u>6,033</u>

6. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	943	6,950
	<u>943</u>	<u>6,950</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	125,000	2,462
Amounts owed to related parties	683,953	530,231
Directors Loan Account	-	278,950
Accruals and deferred income	750	1,400
	<u>809,703</u>	<u>813,043</u>

8. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	943	6,950
	<u>943</u>	<u>6,950</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Notes to the Financial Statements

For the Year Ended 31 March 2017

9. Related party transactions

Name of related party	Director with a significant interest
Trustees of Llanarth Estate	B C Herbert
Trustees of Llanover Estate	B C Herbert

During the year, loans were made by Trustees of Llanarth Estate to the company of £Nil (2016: £17,000). At the year end, there was £403,950 (2016: £403,950) owed to Trustees of Llanarth Estate. During the year, Sully Development Company Limited made purchases from the Trustees of Llanover Estate of £1,053 (2016: £1,281). At the year end, there was £1,053 (2016: £1,281) owed to the Trustees of Llanover Estate in respect of this.

During the year, a director's loan was made by R A E Herbert to the company of £Nil (2016: £17,000). At the year end, there was £278,950 (2016: £278,950) owed to R A E Herbert. This balance is interest-free, unsecured and there are no fixed repayment terms. R A E Herbert resigned as a director of Sully Development Company on 22 November 2016, but continues to be a significant shareholder of the company.

10. Controlling party

The ultimate controlling parties are jointly R A E Herbert and the trustees of Llanarth Estate, through virtue of their joint shareholding in Sully Development Company Limited.

11. First time adoption of FRS 102

This is the first time that the Company has applied the recognition and measurement requirements of FRS 102 having previously applied the financial reporting standard for smaller entities (FRSSE). The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.