

# REGISTRAR OF COMPANIES

**SULLY DEVELOPMENT COMPANY  
LIMITED**

**Report and Financial Statements**

**31 March 2014**

THURSDAY



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COMPANIES HOUSE

**REPORT AND FINANCIAL STATEMENTS 2014**

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# **SULLY DEVELOPMENT COMPANY LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

R A E Herbert, CBE  
B C Herbert

### **SECRETARY**

C M A Lane

### **REGISTERED OFFICE**

23a Gold Tops  
Newport  
South Wales  
NP20 4UL

### **BANKERS**

National Westminster Bank Plc

### **AUDITOR**

Deloitte LLP  
Cardiff

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2014.

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

### **PRINCIPAL ACTIVITY**

The company's principal activity is property development.

### **GOING CONCERN**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operating existence for the foreseeable future. On this basis they continue to adopt the going concern basis in preparing the financial statements. Further information in relation to going concern is provided in note 1 to the financial statements.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The results of the company for the financial year are set out in the profit and loss account on page 5 and its position at the year-end is shown in the balance sheet on page 6.

The directors are satisfied with the results for the financial year and are optimistic regarding the future prospects of the company.

### **DIVIDENDS**

The directors cannot recommend the payment of a dividend for the year (2013 - £nil).

### **DIRECTORS**

The directors of the company, who served throughout the financial year and subsequently, are as shown on page 1.

### **AUDITOR**

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director 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 s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to continue in office as the company's auditor and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



C Lane  
Secretary

Date 29 July 2014

## **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 law). 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 of the company and of the 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; and
- 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SULLY DEVELOPMENT COMPANY LIMITED**

We have audited the financial statements of Sully Development Company Limited for the year ended 31 March 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 9. 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).

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, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 March 2014 and of its loss 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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 take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.

*David Hedditch*

**David Hedditch (Senior statutory auditor)  
for and on behalf of Deloitte LLP**  
Chartered Accountants and Statutory Auditor  
Cardiff, United Kingdom

Date...2/12/2014...

**PROFIT AND LOSS ACCOUNT**

**Year ended 31 March 2014**

	Note	2014 £	2013 £
Administrative expenses		<u>(12,599)</u>	<u>(16,179)</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	(12,599)	(16,179)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>	7	<u><u>(12,599)</u></u>	<u><u>(16,179)</u></u>

All activities derive from continuing operations.

There have been no recognised gains and losses for the current or the prior financial year other than as stated in the profit and loss account and, accordingly, no separate statement of total recognised gains and losses is presented.


# SULLY DEVELOPMENT COMPANY LIMITED

## BALANCE SHEET 31 March 2014

	Note	2014 £	2013 £
<b>CURRENT ASSETS</b>			
Stocks	5	628,674	598,326
Debtors and prepayments		908	2,045
Cash at bank and in hand		26,729	15,274
		<u>656,311</u>	<u>615,645</u>
<b>CREDITORS: amounts falling due within one year</b>			
Trade creditors		600	-
Director's loan account		261,950	231,950
Amounts owed to related parties		515,763	484,962
Accruals		3,250	11,386
		<u>(781,563)</u>	<u>(728,298)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET LIABILITIES</b>		<u>(125,252)</u>	<u>(112,653)</u>
<b>SHARE CAPITAL AND RESERVES</b>			
Called up share capital	6	100	100
Profit and loss account	7	<u>(125,352)</u>	<u>(112,753)</u>
<b>SHAREHOLDERS' DEFICIT</b>	7	<u>(125,252)</u>	<u>(112,653)</u>

The financial statements of Sully Development Company Limited, registered number 4643148, were approved by the Board of Directors and authorised for issue on 29 July 2014.

Signed on behalf of the Board of Directors

  
R A E Herbert, CBE  
Director



## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2014**

### **1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial year, are described below.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **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, whilst the company has recorded a loss in the current financial year and has net liabilities, it has the formal support of its related party, Trustees of Llanarth Estate. The directors have assessed the ability of the related party 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.

#### **Cash flow statement**

Under Financial Reporting Standard 1, the company is not required to prepare a cash flow statement as it qualifies as a small company.

#### **Stocks**

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

#### **Taxation**

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

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### **2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The directors were the only employees of the company during the current and the prior financial year. They received no remuneration from the company during either period.

### **3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

	2014 £	2013 £
<b>Loss on ordinary activities before taxation is after charging</b>		
Auditor's remuneration – audit services	2,000	2,000

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2014**

**4. TAX ON LOSS ON ORDINARY ACTIVITIES**

	2014 £	2013 £
<b>Current taxation</b>		
United Kingdom corporation tax:		
Current tax on income for the year at 23% (2013 – 24%)	-	-
	<u>          </u>	<u>          </u>
The difference between the current taxation shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:		
	£	£
Loss on ordinary activities before tax	(12,599)	(16,179)
	<u>          </u>	<u>          </u>
Tax on loss on ordinary activities before tax at 23% (2013 - 24%)	2,898	3,883
	<u>          </u>	<u>          </u>
<b>Factors affecting charge for the year</b>		
Increase in tax losses	(2,898)	(3,883)
	<u>          </u>	<u>          </u>
<b>Current tax charge for the year</b>	-	-
	<u>          </u>	<u>          </u>

A deferred tax asset has not been recognised in respect of timing differences relating to trading losses carried forward, as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is approximately £25,070 (2013 - £25,933). The asset would be recovered if the company were to make trading profits from the same trade in future periods.

The forthcoming reduction in the corporation tax rate to 20% will not materially affect the future tax charge.

**5. STOCKS**

Stocks consist of land and property.

**6. CALLED UP SHARE CAPITAL**

	2014 £	2013 £
<b>Allotted and fully paid</b>		
100 ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2014**

**7. COMBINED STATEMENT OF MOVEMENTS ON RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT**

	Share capital £	Profit and loss account £	Total 2014	Total 2013 £
At 1 April	100	(112,663)	(112,653)	(96,474)
Loss for the financial year	-	(12,599)	(12,599)	(16,179)
At 31 March	<u>100</u>	<u>(125,352)</u>	<u>(125,252)</u>	<u>(112,653)</u>

**8. RELATED PARTY TRANSACTIONS**

Name of related party	Director with a significant interest
Llanover Properties Limited	R A E Herbert, CBE
Trustees of Llanarth Estate	R A E Herbert, CBE, and B C Herbert
Trustees of Llanover Estate	B C Herbert

Included within creditors is £125,000 (2013 - £125,000) owed to Llanover Properties Limited.

During the year, loans were made by Trustees of Llanarth Estate to the company of £30,000 (2013 - £25,000). At the year-end, there was £386,950 owed to Trustees of Llanarth Estate (2013 - £356,950). During the year, Sully Development Company Limited made purchases from the Trustees of Llanover Estate of £3,813 (2013 - £3,012). At the year-end, there was £3,813 (2013 - £3,012) 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 £30,000 (2013 - £25,000). At the year-end, there was £261,950 owed to R A E Herbert (2013 - £231,950).

**9. ULTIMATE CONTROLLING PARTIES**

The ultimate controlling parties are R A E Herbert and the trustees of Llanarth Estate.