

Registration number: 05504709

# Cedar Cwmbran Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019



## **Cedar Cwmbran Limited**

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## **Cedar Cwmbran Limited**

### **Directors' Report for the Year Ended 31 December 2019**

The Directors present their report and the financial statements for the year ended 31 December 2019.

#### **Principal activity**

The principal activity of the company is that of property development.

#### **Fair review of the business**

The directors consider that the results for the year and the financial position at the end of the year were satisfactory.

The results for the year are set out in the financial statements.

#### **Principal risks and uncertainties**

The main risks and uncertainties affecting the company are the continued uncertainties of the property market.

The Directors have carefully considered the risks to the business caused by COVID-19 and have taken a number of measures to monitor and prevent the effects of the COVID-19 virus such as health and safety measures for our staff including social distancing and working from home.

At this stage, the impact on our business and results is limited and we will continue to follow the UK Government's guidelines and directives to ensure our business continues operations in the best and safest way possible. The Directors believe that the Company has adequate financial resources to continue as a going concern for the foreseeable future.

#### **Incorporation**

The Company was incorporated on 11 July 2005.

#### **Directors of the Company**

The directors who held office during the year were as follows:

M F Richardson (resigned 4 February 2020)

L S Richardson (resigned 4 February 2020)

The following directors were appointed after the year end:

K Bate (appointed 4 February 2020)

S Eastwood (appointed 4 February 2020)

#### **Dividend**

The directors do not recommend the payment of a dividend (2018: £Nil).

#### **Directors' liabilities**

The company maintains an appropriate level of directors' insurance whereby directors are indemnified against liabilities to third parties to the extent permitted by the Companies Act 2006. The directors also benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

#### **Disclosure of information to the auditors**

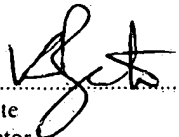
Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

**Cedar Cwmbran Limited**

**Directors' Report for the Year Ended 31 December 2019 (continued)**

In preparing the directors' report the directors have taken advantage of the exemptions allowed for small companies' set out in the Companies Act 2006.

Approved by the Board on 29/1/20 signed on its behalf by:

  
.....  
K Bate  
Director

Registered office

4 Birchley Estate  
Birchfield Lane  
Oldbury  
West Midlands  
B69 1DT

## **Cedar Cwmbran Limited**

### **Statement of Directors' Responsibilities**

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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.

## **Cedar Cwmbran Limited**

### **Independent Auditor's Report to the members of Cedar Cwmbran Limited**

#### **Opinion**

We have audited the financial statements of Cedar Cwmbran Limited "the Company" for the year ended 31 December 2019, which comprise the Profit and Loss account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis of 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.

#### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual 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.

## **Cedar Cwmbran Limited**

### **Independent Auditor's Report to the members of Cedar Cwmbran Limited (continued)**

#### **Opinion on other matter 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.

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

In the light of 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.

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 Directors' were not entitled to take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report; 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.

#### **Responsibilities of Directors**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), 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 at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **Cedar Cwmbran Limited**

### **Independent Auditor's Report to the members of Cedar Cwmbran Limited (continued)**

#### **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.



.....  
Alexander Tapp (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London  
United Kingdom

Date: 30 June 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



# Cedar Cwmbran Limited

## Profit and Loss Account for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover		-	1,667
Cost of sales		<u>(26,117)</u>	<u>-</u>
Gross (loss)/profit		(26,117)	1,667
Administrative expenses		<u>(3,136)</u>	<u>151,460</u>
Operating (loss)/profit	2	<u>(29,253)</u>	<u>153,127</u>
Other interest receivable and similar income		-	52
Interest payable and similar charges	3	<u>-</u>	<u>(122,372)</u>
		<u>-</u>	<u>(122,320)</u>
(Loss)/profit before tax		<u>(29,253)</u>	<u>30,807</u>
(Loss)/profit for the financial year		<u>(29,253)</u>	<u>30,807</u>
Operating (loss)/profit derives wholly from continuing operations.			

The notes on pages 11 to 16 form an integral part of these financial statements.

**Cedar Cwmbran Limited**

**Statement of Comprehensive Income for the Year Ended 31 December 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
(Loss)/profit for the year	<u>(29,253)</u>	<u>30,807</u>
Total comprehensive (loss)/income for the year	<u><u>(29,253)</u></u>	<u><u>30,807</u></u>

The notes on pages 11 to 16 form an integral part of these financial statements.

**Cedar Cwmbran Limited**  
**(Registration number: 05504709)**  
**Balance Sheet as at 31 December 2019**

	Note	2019 £	2018 £
<b>Current assets</b>			
Stocks	8	2,000,000	2,000,000
Debtors	9	5,023	5,140
Cash at bank and in hand		-	5,153
		<u>2,005,023</u>	<u>2,010,293</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(8,226,958)</u>	<u>(8,202,975)</u>
<b>Net liabilities</b>		<u>(6,221,935)</u>	<u>(6,192,682)</u>
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Profit and loss account	12	<u>(6,221,937)</u>	<u>(6,192,684)</u>
<b>Shareholder's funds</b>		<u>(6,221,935)</u>	<u>(6,192,682)</u>

Approved and authorised by the Board on 29/1/20 and signed on its behalf by:



K Bate  
Director

The notes on pages 11 to 16 form an integral part of these financial statements.

# Cedar Cwmbran Limited

## Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £	Profit and loss account £	Total £
At 1 January 2019	2	(6,192,684)	(6,192,682)
Loss for the year	-	(29,253)	(29,253)
Total comprehensive loss	-	(29,253)	(29,253)
At 31 December 2019	2	(6,221,937)	(6,221,935)

	Share capital £	Profit and loss account £	Total £
At 1 January 2018	2	(6,223,491)	(6,223,489)
Profit for the year	-	30,807	30,807
Total comprehensive income	-	30,807	30,807
At 31 December 2018	2	(6,192,684)	(6,192,682)

The notes on pages 11 to 16 form an integral part of these financial statements.

## **Cedar Cwmbran Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **1 Accounting policies**

Cedar Cwmbran Limited is a company limited by shares and incorporated in the UK.

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

#### **Basis of preparation**

These financial statements have been prepared using applicable accounting standards and in accordance with the Companies Act 2006.

The presentation currency of these financial statements is Sterling and the figures are presented in round pounds.

#### **Summary of disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42 to 11.48C;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- the requirements of Section 33 Related Party Disclosures 33.7.

The information is included in the consolidated financial statements of Regalhill Limited.

#### **Name of parent of group**

These financial statements are consolidated in the financial statements of Regalhill Limited.

The financial statements of Regalhill Limited may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

## **Cedar Cwmbran Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)**

#### **1 Accounting policies (continued)**

##### **Going concern**

The Directors have considered the potential impact to the business from the effects of the current pandemic (Covid-19) and have put in place plans to mitigate the currently known, and potential risks to the business (see Directors Report).

The company is part of the wider Regalhill group, and the directors of the group have assessed the full cash requirements of each company over the coming 12 months. Detailed forecasts and projections have been prepared that indicate in all circumstances each company can continue and the group has sufficient funds to meet each of its subsidiaries obligations.

The directors of the parent have provided a letter of support pledging appropriate funding from within the group to each of its subsidiaries where necessary to enable them to continue to trade and meet all of their obligations.

Given the financial strength of the wider Regalhill group the directors consider that this financial support will enable the company to discharge its obligations in the ordinary course of business for a period of at least twelve months from the date when the financial statements are authorised for issue. The directors therefore consider it appropriate to continue to prepare the financial statements on a going concern basis.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the Company's activities.

##### **Interest receivable and Interest payable**

Interest payable and similar charges include interest payable recognised in profit or loss account using the effective interest method, and net foreign exchange recognised in the profit and loss account.

Interest income and interest payable are recognised in the profit and loss account as they accrue, using the effective interest method. Any dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

##### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit and loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised in other comprehensive income.

The current 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 taxable income.

Deferred tax is recognised, without discounting, in respect of timing differences which have arisen but not reversed by the balance sheet date and is provided for if material in value. A deferred tax asset in respect of losses is not created until it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

## **Cedar Cwmbran Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)**

#### **1 Accounting policies (continued)**

##### **Financial assets**

Financial assets, other than investments are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

##### **Stocks**

Stocks comprise development work in progress together with any direct borrowing costs. Stocks are stated at the lower of cost and net realisable value. Cost is determined on an actual basis and comprises land, property, materials, costs and attributable overheads. Net realisable value is based on estimated selling price less further costs anticipated to disposal.

##### **Trade and other debtors/ creditors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Financial liabilities and equity**

Financial liabilities and equity are classified according to the substance of the financial instruments contractual obligations, rather than the financial instruments' legal form. Financial liabilities are initially measured at transaction price (including transaction cost) and subsequently held at amortised cost.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are any indicators of impairment of the company's stock. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.

## Cedar Cwmbran Limited

### Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

#### 2 Operating loss

(Loss)/profit on ordinary activities before taxation is stated after crediting £Nil (2018: £190,465) for the release of provisions which has been recorded through administrative expenses. (Loss)/profit on ordinary activities before taxation is stated after debiting £26,117 (2018: £Nil) for the impairment of stock which has been recorded through cost of sales.

#### 3 Interest payable and similar charges

	2019 £	2018 £
Interest expense on other finance liabilities	-	122,372

#### 4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2019 No.	2018 No.
Administration and support	3	3

#### 5 Directors' remuneration

No emoluments were paid to the directors during the year (2018: £Nil).

#### 6 Auditors' remuneration

Dukehill Services Limited has borne the audit fees provided by the auditors for the Regalhill Limited Group for the current period.

#### Auditor's other services

Amounts receivable by the Company's auditors and their associates in respect of services to the company and its associates other than the audit of the Company's financial statements have been borne by Dukehill Services Limited for the current period.



## Cedar Cwmbran Limited

### Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

#### 7 Taxation

The tax on (loss)/profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - lower than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £	2018 £
(Loss)/profit before tax	<u>(29,253)</u>	<u>30,807</u>
Corporation tax at standard rate	(5,558)	5,853
Effect of expense not deductible in determining taxable (loss)/profit	596	(4,427)
Effect of tax losses carried forward	<u>4,962</u>	<u>(1,427)</u>
Total tax credit	<u>-</u>	<u>(1)</u>

#### Factors that may effect future tax

The standard rate of corporation tax in the UK is to remain at 19% (effective from 1 April 2020) and was substantively enacted on 17 March 2020.

#### 8 Stocks

	2019 £	2018 £
Work in progress	<u>2,000,000</u>	<u>2,000,000</u>

#### 9 Debtors

	2019 £	2018 £
Other debtors	<u>5,023</u>	<u>5,140</u>

## Cedar Cwmbran Limited

### Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

#### 10 Creditors

	2019 £	2018 £
<b>Due within one year</b>		
Trade creditors	3,420	-
Amounts due to related parties	<u>8,223,538</u>	<u>8,202,975</u>
	<u>8,226,958</u>	<u>8,202,975</u>

Amounts due to related parties are interest free and repayable on demand.

#### 11 Share capital

##### Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

#### 12 Reserves

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

#### 13 Related party transactions

Advantage has been taken of the exemption permitted under FRS102 Section 33.11 not to disclose transactions with entities that are wholly owned by Regalhill Limited.

#### 14 Parent and ultimate parent undertaking

The company's immediate parent is Ontario Ventures Limited, incorporated in UK.

The ultimate parent company is Regalhill Limited, incorporated in UK.

The most senior parent entity producing publicly available consolidated financial statements is Regalhill Limited. These financial statements are available upon request from Companies House, Crown Way, Cardiff, CF14 3UZ.

Regalhill Limited had no ultimate controlling party during the year. Following the balance sheet date there was a change in ownership and the ultimate controlling party became the trustees of the Romaleca Albion Settlement Trust.