

Company Registration No. 08709240 (England and Wales)

**RFC BEARWOOD LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**RFC BEARWOOD LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	N Howe N Niruttinanon X Dai Y Dai
<b>Company number</b>	08709240
<b>Registered office</b>	Madejski Stadium Junction 11 M4 Reading Berkshire RG2 0FL
<b>Auditor</b>	Myers Clark Egale 1 80 St Albans Road Watford Hertfordshire WD17 1DL

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# **RFC BEARWOOD LIMITED**

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# **RFC BEARWOOD LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 30 JUNE 2019***

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The directors present their annual report and financial statements for the year ended 30 June 2019.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N Howe  
N Niruttinanon  
X Dai  
Y Dai

### **Auditor**

In accordance with the company's articles, a resolution proposing that Myers Clark be reappointed as auditor of the company will be put at a General Meeting.

### **Statement of directors' responsibilities**

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;
- 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.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

On behalf of the board

N Howe  
**Director**  
25 March 2020

# **RFC BEARWOOD LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF RFC BEARWOOD LIMITED**

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#### **Opinion**

We have audited the financial statements of RFC Bearwood Limited (the 'company') for the year ended 30 June 2019 which comprise the profit and loss account, the balance sheet, the statement of cash flows 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 FRS 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 30 June 2019 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.

#### **Basis for 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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our 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.

## **RFC BEARWOOD LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RFC BEARWOOD LIMITED**

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

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 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 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 the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

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, 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 on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.

**Paul Windmill (Senior Statutory Auditor)**  
for and on behalf of Myers Clark

25 March 2020

**Chartered Accountants**  
**Statutory Auditor**

Egale 1  
80 St Albans Road  
Watford  
Hertfordshire  
WD17 1DL

## **RFC BEARWOOD LIMITED**

### **PROFIT AND LOSS ACCOUNT**

***FOR THE YEAR ENDED 30 JUNE 2019***

		<b>2019</b>	<b>2018</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Administrative expenses		(3,000)	(3,000)
Profit on disposal of fixed assets		4,237,922	-
Amount written off loans		500,000	-
<b>Profit/(loss) before taxation</b>		<b>4,734,922</b>	<b>(3,000)</b>
Tax on profit/(loss)		-	-
<b>Profit/(loss) for the financial year</b>		<b>4,734,922</b>	<b>(3,000)</b>

# RFC BEARWOOD LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	2		28,671,217		12,988,259
<b>Current assets</b>					
Debtors	3	823,870		143,006	
Cash at bank and in hand		763,719		122,139	
		<u>1,587,589</u>		<u>265,145</u>	
<b>Creditors: amounts falling due within one year</b>	4	<u>(25,524,518)</u>		<u>(13,254,038)</u>	
<b>Net current liabilities</b>			<u>(23,936,929)</u>		<u>(12,988,893)</u>
<b>Total assets less current liabilities</b>			<u>4,734,288</u>		<u>(634)</u>
<b>Capital and reserves</b>					
Called up share capital	5		1		1
Profit and loss reserves			<u>4,734,287</u>		<u>(635)</u>
<b>Total equity</b>			<u>4,734,288</u>		<u>(634)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 25 March 2020 and are signed on its behalf by:

N Howe  
Director

Company Registration No. 08709240



# RFC BEARWOOD LIMITED

## STATEMENT OF CASH FLOWS

*FOR THE YEAR ENDED 30 JUNE 2019*

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	8		7,573,116		4,000,111
<b>Investing activities</b>					
Purchase of tangible fixed assets		(16,278,369)		(3,955,140)	
<b>Net cash used in investing activities</b>			(16,278,369)		(3,955,140)
<b>Financing activities</b>					
Proceeds from borrowings		10,896,833		-	
Advance of borrowings		-		695,000	
Repayment of bank loans		(1,550,000)		(624,325)	
<b>Net cash generated from financing activities</b>			9,346,833		70,675
<b>Net increase in cash and cash equivalents</b>			641,580		115,646
Cash and cash equivalents at beginning of year			122,139		6,493
<b>Cash and cash equivalents at end of year</b>			<u>763,719</u>		<u>122,139</u>

**FOR THE YEAR ENDED 30 JUNE 2019**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# RFC BEARWOOD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

### 1 Accounting policies (Continued)

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

##### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest 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, which include payables within one year are initially recognised at transactions price including transaction costs and are subsequently measured at the undiscounted amount of the cash or consideration expected to be paid.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.8 Taxation

##### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

### 2 Tangible fixed assets

	Land and buildings £
<b>Cost</b>	
At 1 July 2018	12,988,259
Additions	16,278,369
Disposals	(595,411)
	<hr/>
At 30 June 2019	28,671,217
	<hr/>
<b>Depreciation and impairment</b>	
At 1 July 2018 and 30 June 2019	-
	<hr/>
<b>Carrying amount</b>	
At 30 June 2019	28,671,217
	<hr/> <hr/>
At 30 June 2018	12,988,259
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## RFC BEARWOOD LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

<b>3 Debtors</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Other debtors	823,870	143,006
	<u>          </u>	<u>          </u>
<b>4 Creditors: amounts falling due within one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loans	-	1,550,000
Trade creditors	3,695,332	771,685
Amounts owed to group undertakings	10,858,905	9,734,353
Other creditors	10,970,281	1,198,000
	<u>          </u>	<u>          </u>
	25,524,518	13,254,038
	<u>          </u>	<u>          </u>
<b>5 Called up share capital</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Issued and fully paid		
1 Ordinary share of £1 each	1	1
	<u>          </u>	<u>          </u>

### 6 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102, paragraph 33.1A not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

The Company invoiced Prestige Fortune Asia Limited £4,833,333 (2018 - £nil) in respect of the disposal of the residential part of the land owned by the Company. This amount was owing at the year end and is included in amounts due to group undertakings. Mr Yongge Dai is a director and the ultimate owner of Prestige Fortune Asia Limited.

### 7 Parent company

The immediate parent company is The Reading Football Club Limited, a company registered in England and Wales, and the ultimate parent company and controlling party is Great Shine International Limited, a company incorporated in Hong Kong. The ultimate controlling party is Mr Yongge Dai by virtue of his shareholding in Great Shine International Limited.

For the year ended 30 June 2019, Renhe Sports Management Company Limited, the immediate parent company of The Reading Football Club Limited and a company incorporated in England and Wales, prepares group financial statements and copies can be obtained from Madejski Stadium, Reading, RG2 0FL.

## RFC BEARWOOD LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 JUNE 2019*

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**8 Cash generated from/(absorbed by) operations**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Profit/(loss) for the year after tax	4,734,922	(3,000)
<b>Adjustments for:</b>		
Profit on disposal of fixed assets	(4,237,922)	-
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	3,319,136	(143,006)
Increase/(decrease) in creditors	3,756,980	(59,445)
<b>Cash generated from/(absorbed by) operations</b>	<u>7,573,116</u>	<u>(205,451)</u>

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.