

PONTYPOOL RUGBY LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 JULY 2019

BALANCE SHEET
AS AT 31 JULY 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	16,679	17,598
		<u>16,679</u>	<u>17,598</u>
Current assets			
Debtors: amounts falling due within one year	5	47,354	18,561
Cash at bank and in hand	6	7,936	11,606
		<u>55,290</u>	<u>30,167</u>
Creditors: amounts falling due within one year	7	(988,422)	(576,414)
Net current liabilities		<u>(933,132)</u>	<u>(546,247)</u>
Total assets less current liabilities		<u>(916,453)</u>	<u>(528,649)</u>
Net liabilities		<u>(916,453)</u>	<u>(528,649)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(916,454)	(528,650)
		<u>(916,453)</u>	<u>(528,649)</u>

BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2019

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 March 2020.

P L Jeffreys
Director

The notes on pages 3 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

1. General information

Pontypool Rugby Limited is a private company limited by shares and is incorporated in England & Wales, registered number 10281684. Its registered office is 12 Gold Tops, Newport, NP20 4PH.

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 financial statements are presented in sterling which is the functional currency of the company and all figures are rounded to the nearest £. The period covered by these financial statements is the year ended 31 July 2019 and the comparative period is the period ended 31 July 2018.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis despite net liabilities of £916,453. The Directors are prepared to provide sufficient financial support to enable the company to continue as a going concern for the foreseeable future.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

2. Accounting policies (continued)

2.3 Revenue (continued)

- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant & machinery	-	25%
Fixtures & fittings	-	10%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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.

2.11 Financial instruments

The Company only enters into basic financial instrument 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.

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 balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 43 (2018 - 38).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

4. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 August 2018	1,899	17,340	19,239
Additions	-	1,448	1,448
At 31 July 2019	1,899	18,788	20,687
Depreciation			
At 1 August 2018	411	1,230	1,641
Charge for the year on owned assets	475	1,892	2,367
At 31 July 2019	886	3,122	4,008
Net book value			
At 31 July 2019	1,013	15,666	16,679
At 31 July 2018	1,488	16,110	17,598

5. Debtors

	2019 £	2018 £
Trade debtors	2,000	2,600
Other debtors	1,754	2,394
Prepayments and accrued income	43,600	13,567
	47,354	18,561

6. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	7,936	11,606
	7,936	11,606

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

7. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Other loans	895,313	504,751
Trade creditors	13,065	5,037
Other taxation and social security	5,329	6,286
Other creditors	13,561	14,344
Accruals and deferred income	61,154	45,996
	<u>988,422</u>	<u>576,414</u>

8. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £2,263 (2018 - £952). Contributions totalling £548 (2018 - £489) were payable to the fund at the balance sheet date and are included in creditors.

9. Related party transactions

Creditors includes an amount of £895,313 (2018: £504,751) owed to M Group Holdings, a company with common directorship. The loan is interest free and is repayable on demand.

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.