
RHONDDA DEVELOPMENT COMPANY LIMITED
ABBREVIATED STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1999



Company No. 1226708 (England and Wales)

**AUDITORS' REPORT TO RHONDDA DEVELOPMENT COMPANY LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31st March 1999 prepared under 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered have been properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

QUALIFIED OPINION ARISING FROM DISAGREEMENT ABOUT ACCOUNTING TREATMENT

As explained in note 1 Investment Properties have been shown at historical cost and not at their open market value as required by Statement of Standard Accounting Practice No 19, and it is impractical to evaluate the difference between the stated cost and open market value.

Except for the above in our opinion, the financial statement give a true and fair view of the state of the company's affairs as at 31st March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

CURTIS BOWDEN AND THOMAS
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

101 Dunraven Street
Tonypany
Mid Glamorgan
CF40 1AR

Date: 15th September 1999

RHONDDA DEVELOPMENT COMPANY LIMITED

ABBREVIATED BALANCE SHEET
AS AT 31ST MARCH 1999

		1999		1998	
	Note	£	£	£	£
FIXED ASSETS	2				
Tangible assets		3,775,473		3,757,510	
Investments		12,000		12,000	
		<u>3,787,473</u>		<u>3,769,510</u>	
CURRENT ASSETS					
Debtors	3	87,006		62,288	
Cash In hand		982		2,151	
		<u>87,988</u>		<u>64,439</u>	
CREDITORS: amounts falling due within one year	4	(757,104)		(816,283)	
		<u>(669,116)</u>		<u>(751,844)</u>	
NET CURRENT LIABILITIES					
TOTAL ASSETS LESS CURRENT LIABILITIES		3,118,357		3,017,666	
CREDITORS: amounts falling due after more than one year	4	-		(65,361)	
		<u>3,118,357</u>		<u>2,952,305</u>	
DEFERRED INCOME					
Local authority grants received		71,646		74,575	
CAPITAL AND RESERVES					
Called up share capital	5	110,000		110,000	
Profit and Loss account		2,936,711		2,767,730	
		<u>3,046,711</u>		<u>2,877,730</u>	
SHAREHOLDERS' FUNDS		3,046,711		2,877,730	
		<u>3,118,357</u>		<u>2,952,305</u>	

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard of Smaller Entities.

Approved by the board on 15th September 1999.

R.A. Hulland
Director

R. Hulland

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1999

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF ACCOUNTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

1.2 TANGIBLE FIXED ASSETS AND DEPRECIATION

The freehold properties and improvements thereto are held by the Company as investment properties and are shown at their historical cost. It is not the policy of the company to revalue investment properties at current market value as required by Standard Accounting Practice number 19.

Depreciation is provided at rates calculated to write off the cost of valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture and Fittings	20% straight line basis
Office Equipment	20% straight line basis
Plant and Equipment	20% straight line basis
Motor Vehicles	25% reducing balance method

1.3 LOCAL AUTHORITY GRANT RECEIVED

Local Authority Grant received prior to April 1997 have been written off on a straight line basis over five years. However, Local Authority Grants received after 1st April 1997 remain payable for a period of five years after which the grant received is written off in full.

The Company has decided not to adopt Statement of Standard Accounting Practice No 4 in respect of the accounting treatment for local authority grants received. It has been decided in order to show a more true and fair view of the state of the Company's affairs as at the balance sheet date and of the profit for the year under review, to write the grants off over their repayable lives..

Detailed below is a comparison between the accounting treatment adopted by the Company and the accounting treatment had Statement of Standard Accounting Practice No 4 been adopted by the company.

	Accountancy Policy as Adopted by the Company		Had Statement of Standard Accounting Practice No 4 been Adopted	
	1999 £	1998 £	1999 £	1998 £
Profit and Loss Account				
Other Income	17,929	177,210	Nil	Nil
Balance Sheet				
Deferred Income	71,646	74,575	1,838,700	1,823,700

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1999

1.4 RENTS

Rents comprise the total rents receivable by the Company net of Value Added Tax.

1.5 DEFERRED TAXATION

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is reasonable probability that a liability or asset will crystallise in the near future.

2 FIXED ASSETS

	Tangible Fixed Assets £
Cost	
At 1st April 1998	3,913,903
Additions	44,384
Disposals	(21,121)

At 31st March 1999	3,937,166
	=====
Depreciation	
At 1st April 1998	156,393
Charge for year	5,300

At 31st March 1999	161,693
	=====
Net book values	
At 31st March 1999	3,775,473
	=====
At 31st March 1998	3,757,510
	=====

3 DEBTORS

All debtors are repayable within one year

RHONDDA DEVELOPMENT COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1999

4. CREDITORS

Creditors include the following:	1999	1998
	£	£
Secured creditors	412,223 =====	559,035 =====

5. CALLED UP SHARE CAPITAL

	1999	1998
	£	£
Authorised Ordinary Shares of £1 each	110,000 =====	110,000 =====
Allotted, called up and fully paid Ordinary Shares of £1 each	110,000 =====	110,000 =====

6. TRANSACTIONS WITH DIRECTORS

During the year the following transactions were carried out with other Companies in which the Director, R.A. Hulland, has a material interest.

Supply of goods and services by:

	1999	1998
	£	£
R.A. Hulland Limited	47,906	49,136

The transactions were on a normal trading basis.