

Abbreviated Accounts for the Year Ended 31 March 2009

for

Rhondda Development Company Limited

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Rhondda Development Company Limited

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for the Year Ended 31 March 2009

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Rhondda Development Company Limited

Company Information
for the Year Ended 31 March 2009

DIRECTORS:

R A Hulland
N V Hulland
C S Aubrey
G Smith

SECRETARY:

N V Hulland

REGISTERED OFFICE:

233-239 High Street
Cymmer
Porth
Rhondda Cynon Taf
CF39 9AD

REGISTERED NUMBER:

1226708 (England and Wales)

AUDITORS:

Curtis Bowden and Thomas Limited
Chartered Certified Accountants &
Registered Auditors
The Woodlands
Pentre Road
Pentre
Rhondda Cynon Taf
CF41 7DJ

Report of the Independent Auditors to
Rhondda Development Company Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages three to six, together with the financial statements of Rhondda Development Company Limited for the year ended 31 March 2009 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

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 Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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 are properly prepared.

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 have been properly prepared in accordance with those provisions.

Other information

On 13 August 2009 we reported as auditors to the shareholders of the company on the financial statements for the year ended 31 March 2009 prepared under Section 226 of the Companies Act 1985, and our report included the following extract:

"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 not impractical to evaluate the difference between the stated cost and its open market value. Whilst qualification cannot be quantified, the effect of the qualification on distributable profit can only be favourable."

In our opinion the information given in the Report of the Directors is consistent with the financial statements.


Curtis Bowden and Thomas Limited
Chartered Certified Accountants &
Registered Auditors
The Woodlands
Pentre Road
Pentre
Rhondda Cynon Taf
CF41 7DJ

13 August 2009

Rhondda Development Company Limited

Abbreviated Balance Sheet
31 March 2009

31.3.08			Notes	31.3.09	
£	£			£	£
		FIXED ASSETS			
	3,447,669	Tangible assets	2		3,542,382
	999,876	Investments	3		999,876
	<u>4,447,545</u>				<u>4,542,258</u>
		CURRENT ASSETS			
10,000		Stocks		10,000	
91,724		Debtors		86,351	
915,237		Cash at bank		645,785	
<u>1,016,961</u>				<u>742,136</u>	
		CREDITORS			
514,813		Amounts falling due within one year		421,225	
<u>502,148</u>				<u>320,911</u>	
		NET CURRENT ASSETS			
					<u>320,911</u>
	4,949,693	TOTAL ASSETS LESS CURRENT LIABILITIES			4,863,169
	(1,582)	PROVISIONS FOR LIABILITIES			(826)
	(53,656)	ACCRUALS AND DEFERRED INCOME			(11,471)
	<u>4,894,455</u>	NET ASSETS			<u>4,850,872</u>
		CAPITAL AND RESERVES			
	110,350	Called up share capital	4		110,600
	2,900	Capital redemption reserve			2,900
	4,781,205	Profit and loss account			4,737,372
	<u>4,894,455</u>	SHAREHOLDERS' FUNDS			<u>4,850,872</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.

The financial statements were approved by the Board of Directors on 13 August 2009 and were signed on its behalf by:



R A Hulland - Director

The notes form part of these abbreviated accounts

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2009

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

Turnover comprises the total rents receivable by the company net of Value Added Tax.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- No depreciation charge
Short leasehold	- No depreciation charge
Freehold reversions	- No depreciation charge
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Office equipment	- 20% on cost

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 Statement of Standard Accounting Practice No.19

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Local authority grant received

Local authority grants received prior to 1st 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 full period of five years after which the grant 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 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.

The accounting policy as adopted by the company shows other income of £53,656 (2008 £45,495) in the profit and loss account and balance sheet deferred income of £11,471 (2008 £53,656).

Had Statement of Standard Accounting Practice No.4 been adopted the profit and loss account would show no other income in 2009 or 2008 and balance sheet deferred income of £1,326,170 (2008 £1,314,699). This being the total amount of grants received on properties still owned by the company.

Rhondda Development Company Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2009

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 April 2008	3,654,392
Additions	102,287
Disposals	(633)
At 31 March 2009	3,756,046
DEPRECIATION	
At 1 April 2008	206,723
Charge for year	6,941
At 31 March 2009	213,664
NET BOOK VALUE	
At 31 March 2009	3,542,382
At 31 March 2008	3,447,669

3. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	31.3.09 £	31.3.08 £
Debentures	9,500	9,500
Shares in group undertakings	10,000	10,000
Investment in Challenger Syndicateships	213,256	213,256
Rhonmill Limited loan	766,700	766,700
Shares in Rhonmill Limited	420	420
	999,876	999,876

In April 2005 Rhondda Development Company Limited made a sponsorship investment of £98,500 with Challenger Syndicateships. There is a guaranteed return of 20% per annum on this investment. The initial period of this agreement expired 8 April 2007 with renewal by mutual consent of both parties for a further year and thereafter annually by mutual agreement.

In November 2006, Rhondda Development Company Limited purchased two shares in a 15 metre Dutch barge "Isabel", at a price of £56,000 per share. This investment expired on 8 April 2007 with renewal by mutual consent. This investment is shown in "Investment in Challenger Syndicateship".

Rhondda Development Company Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2009

4. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	31.3.09 £	31.3.08 £
150,000	Ordinary	£1	150,000	150,000
50,000	Ordinary "B"	£0.25	12,500	12,500
			<u>162,500</u>	<u>162,500</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	31.3.09 £	31.3.08 £
108,100	Ordinary	£1	108,100	108,100
10,000	Ordinary "B"	£0.25	2,500	2,250
(31.3.08 - 8,000)			<u>110,600</u>	<u>110,350</u>

1,000 Ordinary "B" shares of £0.25 each were allotted and fully paid for cash at par during the year.

5. TRANSACTIONS WITH DIRECTORS

During the year Mr.G.Smith and Mr.C.S.Aubrey carried out work on behalf of the company to the value of £9,515 and £1,440 respectively.

6. SUBSIDIARY UNDERTAKING AND PARTICIPATING INTERESTS

The company's investment in its subsidiary company Goodhood Limited, as referred to note 6, represents the whole of the issued share capital of Goodhood Limited, which is a non trading company.

At 31st March 2009 the aggregate share capital and reserves of Goodhood Limited were £10,000 (2008 £10,000) and the profit for the year to that date was £nil (2008 £nil).

7. TRANSACTIONS IN EUROS

During the year ended 31st March 2007, the company opened a Barclays Euro account, a Solbank Euro account and a Solbank Euro deposit account. Solbank is a Spanish based bank. For each transaction the Euro amount is converted into sterling at the median price taken from a currency converter website. This policy has continued in the year to 31st March 2009.