

B. & C. FINANCE LIMITED
(Registered number 555655)

ANNUAL REPORT AND ACCOUNTS

Year ended 30 September 2018

Contents

Directors' report	page 1 - 2
Statement of comprehensive income	page 3
Balance sheet	page 4
Statement of changes in equity	page 5
Cash flow statement	page 6
Notes to the financial statements	page 7 - 9
Auditors' report	page 10



B. & C. FINANCE LIMITED
DIRECTORS REPORT
Year-ended 30 September 2018

Directors John K.S. Morgan - Chairman and CEO
Susan J. Berry
Diana G. Dolan

The directors submit their annual report and accounts for the year ended 30 September 2018.

Introduction

B. & C. Finance Ltd is incorporated in the United Kingdom as a private company limited by shares. It is registered in England and Wales as company number 555655, with its registered office at Llantrithyd House, Llantrithyd, Cowbridge, Vale of Glamorgan.

The company is wholly owned by The St.Mellons Investment Trust Company Ltd (no.389021) and is consolidated in the group financial statements included in the latter's accounts.

Business review, results and dividends

The principal activity of the company during the year was intra-group financing. It has made interest-bearing loans to both its parent company, The St.Mellons Investment Trust Co. Ltd, and its fellow subsidiary company, Park Estates (Cardiff) Ltd.

The results for the year are set out on page 3 of the accounts. Dividends paid are set out in Note 7.

Directors

The directors listed above held office throughout the year under review.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and 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 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 to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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 as to disclosure to auditors

The directors confirm that so far as they are aware there is no relevant audit information of which the company's auditors are unaware. They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution to re-appoint Johns Jones & Lo Limited as the company's auditors will be proposed at the forthcoming General Meeting.

Approved by the directors on ~~28~~ December 2018 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'J.K.S. Morgan', is written over a horizontal dotted line.

John K.S. Morgan

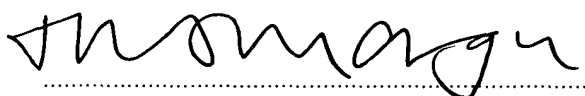
B. & C. FINANCE LIMITED
STATEMENT OF COMPREHENSIVE INCOME
Year ended 30 September 2018

	Notes	2018 £	2017 £
Interest received from group companies	3.	105,000	104,999
Other income	4.	0	0
Total income and gains		105,000	104,999
Administration expenses	5.	-17,200	-17,200
Finance costs		-44	-207
Profit before tax		87,756	87,592
Tax	6.	-16,674	-17,080
Profit for the year		71,082	70,512
Other comprehensive income		0	0
Total comprehensive income for the year		71,082	70,512

B. & C. FINANCE LIMITED
BALANCE SHEET
As at 30 September 2018

	Notes	2018 £	2017 £
Current assets			
Amounts owed by group companies	8.	1,503,000	1,500,000
Other receivables		0	0
Cash		3,135	0
		<u>1,506,135</u>	<u>1,500,000</u>
Current liabilities			
Bank overdraft		0	-1,540
Amounts owed to group companies	9.	-39,000	-22,000
Corporation tax		-16,674	-17,081
Other payables		-1,236	-1,236
		<u>-56,910</u>	<u>-41,857</u>
Net assets		<u>1,449,225</u>	<u>1,458,143</u>
Equity			
Share capital	10.	1,400,000	1,400,000
Revenue reserve		49,225	58,143
Total equity		<u>1,449,225</u>	<u>1,458,143</u>

Approved by the directors on 28 December 2018 and signed on their behalf by:



John K.S. Morgan

B. & C. FINANCE LIMITED
STATEMENT OF CHANGES IN EQUITY
Year ended 30 September 2018

	Share capital £	Revenue reserve £	Total equity £
At 1 October 2017	1,400,000	58,143	1,458,143
Profit before tax		87,756	87,756
Tax		-16,674	-16,674
Profit for the year	0	71,082	71,082
Dividends paid (Note 7.)		-80,000	-80,000
At 30 September 2018	<u>1,400,000</u>	<u>49,225</u>	<u>1,449,225</u>
At 1 October 2016	1,400,000	57,631	1,457,631
Profit before tax		87,592	87,592
Tax		-17,080	-17,080
Profit for the year	0	70,512	70,512
Dividends paid (Note 7.)		-70,000	-70,000
At 30 September 2017	<u>1,400,000</u>	<u>58,143</u>	<u>1,458,143</u>

B. & C. FINANCE LIMITED
CASH FLOW STATEMENT
Year ended 30 September 2018

	2018 £	2017 £
Operating activities		
Profit before tax	87,756	87,592
Changes in working capital	14,000	8,000
Tax paid on revenue profit	-17,081	-17,551
Cash flow from operating activities	<u>84,675</u>	<u>78,041</u>
 Dividends paid	 <u>-80,000</u>	 <u>-70,000</u>
 Net cash inflow/-outflow in the year	 4,675	 8,041
 Net cash balance/-overdraft at beginning of the year	 -1,540	 -9,581
 Net cash balance/-overdraft at end of the year	 <u><u>3,135</u></u>	 <u><u>-1,540</u></u>
Cash	3,135	0
Bank overdraft	0	-1,540
Net cash balance/-overdraft at end of the year	<u><u>3,135</u></u>	<u><u>-1,540</u></u>

B. & C. FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2018

1. General information

The principal activity of the company during the year was intra-group financing.

The company is wholly owned by The St.Mellons Investment Trust Company Ltd (no.389021).

The ultimate controlling party is J.K.S. Morgan (who owns 53.2% of the shares in St.Mellons).

2. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

They have been prepared on a going concern basis, and under the historical cost convention.

They are presented in pounds sterling, the currency of the primary economic environment in which the company operates.

	2018 £	2017 £
3. Interest received from group companies		
Fellow subsidiary - Park Estates (Cardiff) Ltd	49,604	86,617
Holding company - The St.Mellons Investment Trust Co. Ltd	55,396	18,382
	<u>105,000</u>	<u>104,999</u>
4. Other income		
Interest received	0	0
Other	0	0
	<u>0</u>	<u>0</u>
5. Administration expenses		
Auditors' fees	1,200	1,200
Directors' fees	16,000	16,000
Sundry expenses	0	0
	<u>17,200</u>	<u>17,200</u>

	2018 £	2017 £
6. Tax		
UK current tax	16,674	17,081
other	0	-1
Tax charge for the year	<u>16,674</u>	<u>17,080</u>
Tax charge reconciliation:		
Profit before tax	<u>87,756</u>	<u>87,592</u>
Profit multiplied by the average UK corporation tax rate in year of 19.0% (2017 19.5%)	16,674	17,080
Changes in tax rates and other reconciling items	0	0
Tax charge for the year	<u>16,674</u>	<u>17,080</u>
7. Dividends paid		
Ordinary dividends paid during the year to holding company, The St.Mellons Investment Trust Co. Ltd	<u>80,000</u>	<u>70,000</u>
8. Amounts owed by group companies		
Fellow subsidiary - Park Estates (Cardiff) Ltd - group loan	500,000	1,050,000
Holding company - The St.Mellons Investment Trust Co. Ltd		
- group loan	1,000,000	450,000
- normal inter-company account	3,000	0
	<u>1,503,000</u>	<u>1,500,000</u>
9. Amounts owed to group companies		
Fellow subsidiary - Park Estates (Cardiff) Ltd		
- normal inter-company account	39,000	16,000
Holding company - The St.Mellons Investment Trust Co. Ltd		
- normal inter-company account	0	6,000
	<u>39,000</u>	<u>22,000</u>

	2018 £	2017 £
10. Share capital		
Issued and fully paid Ordinary shares of £1 each	<u>1,400,000</u>	<u>1,400,000</u>

11. Contingent liabilities

The company, along with other group companies, has granted cross guarantees to the group's bankers to secure the group's overdraft facilities. These total £80,000 (2017 £80,000).

12. Related party disclosures

a. Group companies

Holding company (and ultimate holding company) - The St.Mellons Investment Trust Co. Ltd
Fellow subsidiary - Park Estates (Cardiff) Ltd

Amounts owed by/to group companies - see Notes 8. and 9.

These balances are all payable on demand. They include group loans upon which interest is charged at commercial rates. Other group balances carry no interest. They arose principally from financing working capital fluctuations.

Interest received on group loans - see Note 3.

Dividends paid to holding company - see Note 7.

Guarantees re group companies - see Note 11.

b. Other related parties

Directors' fees - see Note 5.

~~REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF~~
B. & C. FINANCE LIMITED

We have audited the financial statements of B. & C. Finance Limited for the year ended 30 September 2018 on pages three to nine. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Standards (IFRS) as adopted by the European Union.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on pages one and two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 and of its results for the year then ended;
- have been properly prepared in accordance with International Financial Standards as adopted by the European Union and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

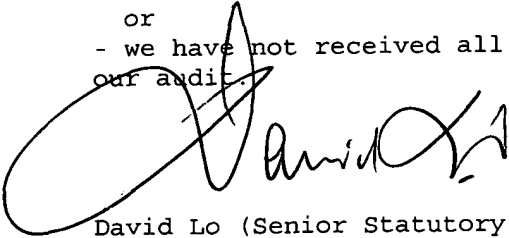
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
B. & C. FINANCE LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report 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.



David Lo (Senior Statutory Auditor)
for and on behalf of Johns Jones & Lo Limited
Chartered Accountants & Statutory Auditors
16 Lambourne Crescent
Cardiff Business Park
Llanishen
Cardiff
CF14 5GF

28 December 2018