

Edenstone Projects Limited

**Directors' report and financial
statements**

Registered number 04808779

30 April 2020

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 April 2020. The directors consider that the company meets all of the criteria to qualify for the exemption from preparing a strategic report.

Principal activities and business review

The company's principal activity is construction and sale of residential housing. The company has not traded in either year.

The company made a profit for the year of £nil (2019: £nil) and at 30 April 2020 had a deficit of shareholders' funds of £1,066,000 (2019: £1,066,000).

The results for the year are set out on page 6.

Proposed dividend

The directors do not recommend the payment of a dividend for the year (2019: £Nil).

Directors

The directors who held office during the year were as follows:

JS Taylor
MJ Taylor
SJ Rodden

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



SJ Rodden
Director

Building 102
Wales One Business Park
Magor
Monmouthshire
NP26 3DG

1 APRIL 2021

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP

3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX
United Kingdom

Independent auditor's report to the members of Edenstone Projects Limited

Opinion

We have audited the financial statements of Edenstone Projects Limited ("the company") for the year ended 30 April 2020 which comprise the Profit and loss account, Balance sheet, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2020 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Independent auditor's report to the members of Edenstone Projects Limited

(continued)

Directors' report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Edenstone Projects Limited *(continued)*

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Jeremy Thomas (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

8 April 2021

Profit and loss account
for the year ended 30 April 2020

	<i>Note</i>	2020 £000	2019 £000
Turnover	2	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Other income		-	-
		<hr/>	<hr/>
Profit before taxation		-	-
Tax on profit	5	-	-
		<hr/>	<hr/>
Profit and Total Comprehensive Income for the financial year		-	-

The notes form part of the financial statements.

Balance sheet
at 30 April 2020

		2020	2019
	Note	£000	£000
Current assets			
Stocks	2	-	-
Debtors	2	-	-
		<u>-</u>	<u>-</u>
		-	-
Creditors: amounts falling due within one year	6	(1,066)	(1,066)
		<u>(1,066)</u>	<u>(1,066)</u>
Net liabilities		(1,066)	(1,066)
Capital and reserves			
Called up share capital	7	-	-
	75		
Profit and loss account		(1,066)	(1,066)
	Note	<u>(1,066)</u>	<u>(1,066)</u>
Deficit on shareholders' funds		(1,066)	(1,066)
		<u>(1,066)</u>	<u>(1,066)</u>

The notes form part of the financial statements.

These financial statements were approved by the board of directors on its behalf by:

1 APRIL

2021 and were signed on



SJ Rodden
Director

Registered company number: 04808779

Statement of changes in equity
for the year ended 30 April 2020

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 May 2018	-	(1,066)	(1,066)
Profit for the financial year, being total comprehensive income for the year	-	-	-
Balance at 30 April 2019 and 1 May 2019	-	(1,066)	(1,066)
Profit for the financial year, being total comprehensive income for the year	-	-	-
Balance at 30 April 2020	-	(1,066)	(1,066)

Notes

(forming part of the financial statements)

1 Accounting policies

Edenstone Projects Limited (the "Company") is a company limited by shares and incorporated, domiciled and registered in the UK (Wales).

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking, Edenstone Holdings Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Edenstone Holdings Limited are available to the public and may be obtained from Building 102, Wales One Business Park, Magor, NP26 3DG. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Edenstone Holdings Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 10.

Measurement convention

The financial statements have been prepared in accordance with the historical cost convention.

Going concern

The company is currently non-trading and has not traded in either year presented in these financial statements. Notwithstanding net liabilities of £1,066,000 as at 30 April 2020, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the company's immediate parent company, Edenstone Holdings Limited, not seeking repayment of the amounts currently due to the group, which at 30 April 2020 amounted to £1,066,000. Edenstone Holdings Limited has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes (continued)

1 Accounting policies (continued)

Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

2 Turnover

There was no turnover in either year.

3 Expenses and auditor's remuneration

	2020 £000	2019 £000
<i>Included within profit/ loss are the following</i>		
Auditor's remuneration:		
Audit of these financial statements	-	-
	<hr/>	<hr/>

Auditor's remuneration was borne by a fellow group company, Edenstone Homes Limited.

4 Directors and employees

The amount of directors' remuneration attributable to the Company in respect of qualifying services was £nil (2019: £nil).

The company does not have any employees.

Notes (continued)

5 Taxation

Total tax expense recognised in the profit and loss account

	2020 £000	2019 £000
UK corporation tax for the year	-	-
Deferred tax	-	-
	<hr/>	<hr/>
Total tax	-	-
	<hr/>	<hr/>

Reconciliation of effective tax rate

	2020 £000	2019 £000
Profit for the year	-	-
Total tax expense	-	-
	<hr/>	<hr/>
Profit excluding taxation	-	-
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 19% (2019: 19%)	-	-
	<hr/>	<hr/>
Total tax expense included in profit and loss account	-	-
	<hr/>	<hr/>

No deferred tax asset has been recognised in respect of the tax losses carried forward of £106,000 (2019: £106,000) due to uncertainty regarding recoverability.

Factors that may affect future tax charges

A UK corporation tax rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. This will increase the company's future current tax charge accordingly. Further, in the 3 March 2021 Budget it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge.

Notes (continued)

6 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Amounts owed to group undertakings	1,066	1,066

Amounts owed to group undertakings have no fixed repayment date and no interest is charged.

7 Called up share capital

	2020 £	2019 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1	1	1

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

8 Related parties

The company has taken advantage of the exemption contained in Section 33 of FRS102 and has therefore not disclosed transactions with other wholly owned entities within the same group.

9 Ultimate parent undertaking

The parent undertaking of the company which heads the largest and smallest group of undertakings for which group financial statements are drawn up, and of which the company is a member, is Edenstone Holdings Limited. The consolidated financial statements of Edenstone Holdings Limited are available to the public and may be obtained from Building 102, Wales One Business Park, Magor, Monmouthshire, NP26 3DG.

The directors consider there to be no ultimate controlling party.

10 Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management considers the key judgement relates to:

Recoverability of deferred tax assets

The recoverability of deferred tax assets in respect of tax losses is related to the ability of the Company to generate taxable profits in future periods. An asset is recognised to the extent that it is probable that the losses will be recovered against the reversal of deferred tax liabilities or other future taxable profits.