

COMPANY REGISTRATION NUMBER 06953515

RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 JULY 2010

WALTER HUNTER & CO LIMITED
Chartered Accountants & Statutory Auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

SATURDAY



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**RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

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**RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT

PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

The directors have pleasure in presenting their report and the financial statements of the company for the period from 6 July 2009 to 31 July 2010

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the development of urban and rural regeneration including the promotion of cultural activities. It is the intention of the company to obtain charitable status in the coming financial period. Further detailed information is available from the organisation.

RESULTS

The profit and loss account discloses a profit on ordinary activities after taxation of £4,205. It should be noted however that, in accordance with best practice, grants totalling £570,453 have been disclosed as deferred income (note 5).

DIRECTORS

The directors who served the company during the period were as follows

Mr G G Clement	Appointed as a director on 6 July 2009
Mr N G Morgan	Appointed as a director on 6 July 2009
Mr G H Evans	Appointed as a director on 6 July 2009
Mr M J Duxbury	Appointed as a director on 6 July 2009
Mr R Condon	Appointed as a director on 6 July 2009
Mr J Asquith	Appointed as a director on 6 July 2009
Mr A Carter	Appointed as a director on 6 July 2009
Mr D May	Appointed as a director on 6 July 2009
Mrs M Inkpen	Appointed as a director on 6 July 2009
Mr B Young	Appointed as a director on 27 May 2010
Mr J E C Price	Appointed as a director on 27 May 2010

Mr D May retired as a director on 26 July 2009

Mrs M Inkpen retired as a director on 4 October 2010

RHONDDA LIFE LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

DIRECTORS' RESPONSIBILITIES

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 those 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Walter Hunter & Co Limited are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

**RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

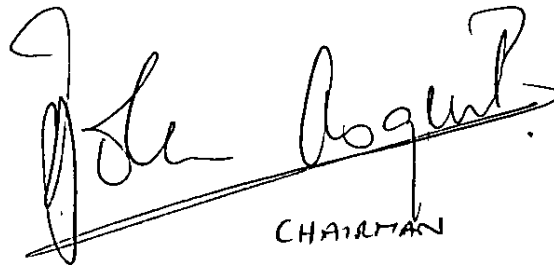
PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
17 Whitcliffe Drive
Penarth
South Glamorgan
Wales
CF64 5RY

Signed by order of the directors



CHAIRMAN

~~Company Secretary~~

Approved by the directors on 13 April 2011

**RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RHONDDA
LIFE LIMITED**

PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

We have audited the financial statements of Rhondda Life Limited for the period from 6 July 2009 to 31 July 2010. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities 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. Our responsibility is to audit 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 (APB'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 directors, and the overall presentation of the financial statements.

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 31 July 2010 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

**RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RHONDDA
LIFE LIMITED *(continued)***

PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

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 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 prepare the financial statements and the directors' report in accordance with the small companies regime



JONATHAN RHODES BSC (HONS) FCA
(Senior Statutory Auditor)
For and on behalf of
WALTER HUNTER & CO LIMITED
Chartered Accountants
& Statutory Auditor

24 Bridge Street
Newport
South Wales
NP20 4SF

13 April 2011

**RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE**

PROFIT AND LOSS ACCOUNT

PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

	Period from 6 Jul 09 to 31 Jul 10 £
TURNOVER	108,523
Administrative expenses	104,318
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<hr/> 4,205
Tax on profit on ordinary activities	-
PROFIT FOR THE FINANCIAL PERIOD	<hr/> <u>4,205</u>

The notes on pages 8 to 10 form part of these financial statements

RHONDDA LIFE LIMITED COMPANY LIMITED BY GUARANTEE

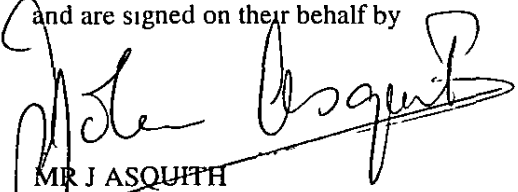
BALANCE SHEET

31 JULY 2010

	Note	£	31 Jul 10 £
FIXED ASSETS			
Tangible assets	3		379,790
CURRENT ASSETS			
Debtors	4	32,834	
Cash at bank		<u>321,738</u>	
		354,572	
CREDITORS: Amounts falling due within one year			
Deferred Income - Grants	5	541,679	
Accruals	5	100,617	
Brewery Loan	5	84,000	
Other Creditors	5	<u>3,861</u>	
		(730,157)	
NET CURRENT LIABILITIES			<u>(375,585)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,205</u>
RESERVES	7		
Profit and loss account			<u>4,205</u>
MEMBERS' FUNDS			<u>4,205</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 13 April 2011 and are signed on their behalf by


MR J ASQUITH
Director

Company Registration Number 06953515

The notes on pages 8 to 10 form part of these financial statements.

**RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents amounts receivable during the period from the Welsh Assembly Government in respect of revenue grants, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	– 2% p a	straight line
Property improvements	– 5% p a	straight line

Depreciation will be charged when both the construction and development phases of the project have been completed

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate

Grant received in relation to revenue expenditure are credited to the profit and loss account as they are accrued

The grants are not subject to UK Tax

RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 6 JULY 2009 TO 31 JULY 2010

2. OPERATING PROFIT

Operating profit is stated after charging

	Period from 6 Jul 09 to 31 Jul 10 £
Auditor's fees	<u>3,500</u>

3. TANGIBLE FIXED ASSETS

	Freehold Property £	Property improvements £	Total £
COST			
Additions	<u>80,000</u>	<u>299,790</u>	<u>379,790</u>
At 31 July 2010	<u>80,000</u>	<u>299,790</u>	<u>379,790</u>
DEPRECIATION			
At 6 July 2009 and 31 July 2010	<u>—</u>	<u>—</u>	<u>—</u>
NET BOOK VALUE			
At 31 July 2010	<u>80,000</u>	<u>299,790</u>	<u>379,790</u>

These assets represent fixed assets in the course of construction. Therefore, no depreciation has been charged in the period.

**RHONDDA LIFE LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 6 JULY 2009 TO 31 JULY 2010**

4. DEBTORS

	31 Jul 10
	£
VAT	32,834
	<u>32,834</u>

5. CREDITORS: Amounts falling due within one year

	31 Jul 10
	£
Deferred Income – Grants	490,996
Deferred Income – Morlais Hall	50,683
Accruals	100,617
Brewery Loan	84,000
Other Creditors	3,861
	<u>730,157</u>

The brewery loan is secured against the fixed assets of the company by way of debenture

During the year the company received £79,457 on behalf of Morlais Hall As at 31st July 2010 £50,683 is included in deferred income in respect of the Morlais Hall project

6. RELATED PARTY TRANSACTIONS

The company was under the control of the board of Directors throughout the current period

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

7. COMPANY LIMITED BY GUARANTEE

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each Board member having undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a Board member or within one year thereafter

There are 9 Board members of the company

8. CONTINGENT LIABILITY

In the event that the company goes into liquidation or receivership, or if the grant was not expended on eligible purposes, the grantor reserves the right to recover the grant The Directors do not believe that these situations will arise