

COMPANY REGISTRATION NO. 08936878 (England and Wales)

GWENT INVESTMENTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

GWENT INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	Mr D S Lewis Mr L Jones	(Appointed 2 June 2018)
Company number	08936878	
Registered office	Llanover House Llanover Road Pontypridd Rhonda Cynon Taff CF37 4DY	
Auditor	UHY Hacker Young Lanyon House Mission Court Newport South Wales United Kingdom NP20 2DW	

GWENT INVESTMENTS LIMITED

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GWENT INVESTMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the company continued to be that of an investment company.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D S Lewis

Mrs J H Lewis

Mr L Jones

(Resigned 1 June 2018)

(Appointed 2 June 2018)

Results and dividends

The results for the year are set out on page 5.

Ordinary dividends were paid amounting to £11,500,000. The directors do not recommend payment of a further dividend.

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr D S Lewis

Director

11 December 2020

GWENT INVESTMENTS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors are responsible for preparing the annual 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

GWENT INVESTMENTS LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF GWENT INVESTMENTS LIMITED**

Opinion

We have audited the financial statements of Gwent Investments Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

GWENT INVESTMENTS LIMITED

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBER OF GWENT INVESTMENTS LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

**Mr Paul Byett (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young**

11 December 2020

**Chartered Accountants
Statutory Auditor**

Newport
South Wales
United Kingdom

GWENT INVESTMENTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018	2017
	Notes	£	£
Cost of sales		51,994	(359,506)
Administrative expenses		(41,914)	(79,905)
Operating profit/(loss)	3	10,080	(439,411)
Interest receivable and similar income	5	11,500,000	17,985,000
Interest payable and similar expenses	6	(783)	(91,087)
Profit before taxation		11,509,297	17,454,502
Tax on profit	7	2,827	-
Profit for the financial year		<u>11,512,124</u>	<u>17,454,502</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

GWENT INVESTMENTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		59,878		92,802
Investments	10		20,964,484		20,964,484
			<u>21,024,362</u>		<u>21,057,286</u>
Current assets					
Debtors	12	23,919,301		12,479,366	
Cash at bank and in hand		270		10,394	
		<u>23,919,571</u>		<u>12,489,760</u>	
Creditors: amounts falling due within one year	13	(40,676,854)		(18,286,987)	
Net current liabilities			<u>(16,757,283)</u>		<u>(5,797,227)</u>
Total assets less current liabilities			4,267,079		15,260,059
Creditors: amounts falling due after more than one year	14		-		(11,002,277)
Provisions for liabilities	17		-		(2,827)
Net assets			<u>4,267,079</u>		<u>4,254,955</u>
Capital and reserves					
Called up share capital	19		1,800,001		1,800,001
Profit and loss reserves			2,467,078		2,454,954
Total equity			<u>4,267,079</u>		<u>4,254,955</u>

The financial statements were approved by the board of directors and authorised for issue on 11 December 2020 and are signed on its behalf by:

Mr D S Lewis
Director

Company Registration No. 08936878

GWENT INVESTMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 January 2017	1,800,001	452	1,800,453
Year ended 31 December 2017:			
Profit and total comprehensive income for the year	-	17,454,502	17,454,502
Dividends	8	-	(15,000,000)
	<u>1,800,001</u>	<u>2,454,954</u>	<u>4,254,955</u>
Balance at 31 December 2017			
Year ended 31 December 2018:			
Profit and total comprehensive income for the year	-	11,512,124	11,512,124
Dividends	8	-	(11,500,000)
	<u>1,800,001</u>	<u>2,467,078</u>	<u>4,267,079</u>

GWENT INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Gwent Investments Limited is a private company limited by shares incorporated in England and Wales. The registered office is Llanover House, Llanover Road, Pontypridd, Rhonda Cynon Taff, CF37 4DY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Gwent Holdings Limited. These consolidated financial statements are available from its registered office, C/O UHY Hacker Young, Lanyon House, Mission Court, Newport, Wales, NP20 2DW.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Gwent Investments Limited is a wholly owned subsidiary of Gwent Holdings Limited and the results of Gwent Investments Limited are included in the consolidated financial statements of Gwent Holdings Limited which are available from the registered office at Llanover House, Llanover Road, Pontypridd, Rhonda Cynon Taff, CF37 4DY.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% on cost
Computer equipment	33% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

1 Accounting policies **(Continued)**

1.7 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Operating profit/(loss)

	2018	2017
	£	£
Operating profit/(loss) for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	5,000	-
Depreciation of owned tangible fixed assets	20,800	22,995
Depreciation of tangible fixed assets held under finance leases	12,124	12,124
	<u> </u>	<u> </u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018	2017
	Number	Number
Total	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

5 Interest receivable and similar income

	2018	2017
	£	£
Income from fixed asset investments		
Income from shares in group undertakings	11,500,000	17,985,000
	<u> </u>	<u> </u>

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

6 Interest payable and similar expenses	2018	2017
	£	£
Interest on bank overdrafts and loans	783	90,267
Interest on finance leases and hire purchase contracts	-	820
	<u>783</u>	<u>91,087</u>

GWENT INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018****7 Taxation**

	2018	2017
	£	£
Deferred tax		
Origination and reversal of timing differences	(2,827)	-

The company has £132,558 of tax trading losses carried forward (2017: £471,188). £308,328 of losses were surrendered to group companies in the year.

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018	2017
	£	£
Profit before taxation	11,509,297	17,454,502
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	2,186,766	3,490,900
Tax effect of income not taxable in determining taxable profit	(2,184,785)	(3,572,747)
Unutilised tax losses carried forward	(5,757)	81,847
Depreciation on assets not qualifying for tax allowances	3,776	-
Deferred tax adjustments in respect of prior years	(2,827)	-
Taxation credit for the year	(2,827)	-

8 Dividends

	2018	2017
	£	£
Final paid	11,500,000	15,000,000

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

9 Tangible fixed assets

	Plant and machinery £	Compute equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2018 and 31 December 2018	44,760	3,429	109,789	157,978
Depreciation and impairment				
At 1 January 2018	12,430	1,394	51,352	65,176
Depreciation charged in the year	6,714	1,131	25,079	32,924
At 31 December 2018	19,144	2,525	76,431	98,100
Carrying amount				
At 31 December 2018	25,616	904	33,358	59,878
At 31 December 2017	32,330	2,035	58,437	92,802

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2018 £	2017 £
Motor vehicles	16,165	28,289

10 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	11	20,964,484	20,964,484

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018 & 31 December 2018	20,964,484
Carrying amount	
At 31 December 2018	20,964,484
At 31 December 2017	20,964,484

11 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

11 Subsidiaries (Continued)

Name of undertaking	Class of shares held	% Held	
		Direct	Indirect
Ffos-y-Fran (Commoners) Limited	Ordinary	0	100.00
Merthyr (Ffos-y-Fran) Limited	Ordinary	0	100.00
Merthyr (Nominee No. 1) Limited	Ordinary	0	100.00
Merthyr (South Wales) Limited	Ordinary	0	100.00
Merthyr Holdings Limited	Ordinary	100.00	-

The registered office address for the above is Cwmbargoed Disposal Point Fochriw Road, Cwmbargoed, Merthyr Tydfil, Wales, CF48 4AE.

12 Debtors

	2018	2017
Amounts falling due within one year:	£	£
Amounts owed by group undertakings	23,115,549	11,675,614
Other debtors	803,752	803,752
	<u>23,919,301</u>	<u>12,479,366</u>

13 Creditors: amounts falling due within one year

	Notes	2018	2017
		£	£
Bank loans	15	-	335,417
Obligations under finance leases	16	29,331	29,604
Trade creditors		-	53,661
Amounts owed to group undertakings		40,245,147	17,825,147
Corporation tax		34,842	34,842
Other taxation and social security		3,716	3,716
Other creditors		354,218	-
Accruals and deferred income		9,600	4,600
		<u>40,676,854</u>	<u>18,286,987</u>

14 Creditors: amounts falling due after more than one year

	Notes	2018	2017
		£	£
Obligations under finance leases	16	-	2,277
Other creditors		-	11,000,000
		<u>-</u>	<u>11,002,277</u>

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

14 Creditors: amounts falling due after more than one year (Continued)

Other creditors in the prior year relates to the deferred contingent consideration in relation to the acquisition of Merthyr Holdings Limited, refer to note 10.

15 Loans and overdrafts

	2018	2017
	£	£
Bank loans	-	335,417
Payable within one year	-	335,417

The long-term loans are secured by fixed charges over the Tangible fixed assets held in Blackstone (South Wales) Limited.

The loan is subject to a variable interest rate which is currently 2.25% per annum above 0.5% Base rate. Interest is calculated on the daily total of the then outstanding balance of the Loan (including any outstanding finance charge).

16 Finance lease obligations

	2018	2017
	£	£
Future minimum lease payments due under finance leases:		
Within one year	29,331	29,604
In two to five years	-	2,277
	29,331	31,881

Finance lease payments represent rentals payable by the company for motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

17 Provisions for liabilities

	2018	2017
Notes	£	£
Deferred tax liabilities	-	2,827

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018	Liabilities 2017
Balances:	£	£
Accelerated capital allowances	-	2,827
	<u> </u>	<u> </u>
		2018
Movements in the year:		£
Liability at 1 January 2018		2,827
Credit to profit or loss		(2,827)
		<u> </u>
Liability at 31 December 2018		-
		<u> </u>

19 Share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
1,800,001 Ordinary of £1 each	1,800,001	1,800,001
	<u> </u>	<u> </u>

20 Related party transactions

At the year end, a balance due from Merthyr (South Wales) Limited, a fellow subsidiary within the group, totalling £ 20,130,549 (2017: £8,690,614)

During the year ending 31 December 2018, the company received dividends from Merthyr Holdings Limited totalling £ 11,500,000 (2017: £15,000,000). At the year end, a balance due from Merthyr Holdings Limited was outstanding totalling £ 2,985,000 (2017: £2,985,000). Merthyr Holdings Limited is a wholly owned subsidiary.

During the year ending 31 December 2018, the company paid dividends to Gwent Holdings Limited totalling £11,500,000 (2017: £15,000,000). At the year end, a balance was due to Gwent Holdings Limited of £40,245,147 (2017: £17,825,147) Gwent Holdings Limited is the intermediate parent company.

The company has taken advantage of the exemption not to disclose transactions with related parties being a wholly owned member of a group. Consolidated accounts of the ultimate parent company, Gwent Holdings Limited are available on request.

GWENT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

21 Parent company and controlling party

The ultimate parent company is Gwent Holdings Limited.

The largest and smallest publicly available consolidated financial statements to include the company are those of Gwent Holdings Limited. Copies of the Gwent Holdings Limited. Consolidated financial statements are available from C/O UIY Hacker Young, Lanyon House, Mission Court, Newport, Wales, NP20 2DW.

The ultimate controlling party is Mrs J H Lewis.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.