

**TPAS LIMITED**  
**FINANCIAL STATEMENTS**  
**31 MARCH 1998**

**Company Registration Number 2224643**



# **TPAS LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 1998**

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# **TPAS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **The board of directors**

B Tyrie (Chair)  
I Smith (Vice Chair)  
P Robinson  
S Radford  
R Brine  
R Hewgill  
M Grant  
J Williams  
R Nasir  
D Rees  
R Preston  
P Murphy  
G Robinson  
C Sayers  
P Uppal

### **Company secretary**

H Bolton

### **Registered office**

Brunswick House  
Broad Street  
Salford  
M6 5BZ

### **Auditors**

Chittenden Horley  
Chartered Accountants & Registered Auditors  
Charlotte House  
30 Dudley Road  
Manchester  
M16 8 DT

### **Bankers**

National Westminster Bank PLC  
33 Piccadilly  
Manchester  
M1 1LR

# **TPAS LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 31 MARCH 1998**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 1998.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was the development of tenant participation in housing management.

#### **DIRECTORS**

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

B Tyrie	
P Robinson	
S Radford	
R Brine	
I Smith	
R Hewgill	
M Grant	
J Williams	
R Nasir	(Appointed 2 Aug 97)
D Rees	(Appointed 2 Aug 97)
R Preston	(Appointed 2 Aug 97)
P Murphy	(Appointed 2 Aug 97)
G Robinson	(Appointed 2 Aug 97)
C Sayers	(Appointed 2 Aug 97)
P Uppal	(Appointed 2 Aug 97)
G Jackson	(Retired 2 Aug 97)
M Minett	(Retired 2 Aug 97)
P Hardstone	(Retired 2 Aug 97)
B Lawson	(Retired 2 Aug 97)
I Vint	(Retired 2 Aug 97)
S Austin	(Retired 2 Aug 97)
J Rayment	(Retired 1 Jan 98)
A L Johnson	(Retired 2 Aug 97)
L Julienne	(Retired 2 Aug 97)
M J Foster	(Retired 15 Jan 98)
A L Whitney	(Retired 27 Apr 97)
D Stirling-Chow	(Retired 2 Aug 97)
C Whitely	(Served from 2 Aug 97 to 1 Mar 98).
P Aiken	(Served from 2 Aug 97 to 15 Jan 98).

#### **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 at the end of the year and of the profit or loss for the year then ended.

# **TPAS LIMITED**

## **THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 MARCH 1998**

### **DIRECTORS' RESPONSIBILITIES** *(continued)*

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 7 to 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 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 1985. The directors 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.

### **AUDITORS**

A resolution to re-appoint Chittenden Horley as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

By order of the Board



H Bolton  
Company Secretary

Date: 10 June 1998

**TPAS LIMITED**  
**AUDITORS' REPORT TO THE MEMBERS**  
**FOR THE YEAR ENDED 31 MARCH 1998**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 8.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

As described on pages 2 to 3, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**FUNDAMENTAL UNCERTAINTY**

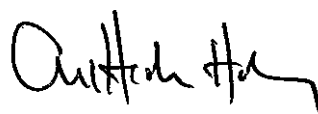
In forming our opinion we have considered whether the going concern basis continues to be the appropriate basis on which to prepare the financial statements. Fundamental uncertainty has arisen in view of the significant further losses incurred in the year under review.

We have considered the operational performance of the company up to the date of signing these accounts together with the budgets and forecasts which have been prepared by the directors for the period up to March 31 1998 and beyond. Further details of the circumstances relating to this fundamental uncertainty are described in note 16 to these accounts and an estimate is provided of the adjustments which might be necessary to the accounts if the going concern basis was no longer applicable. We have not qualified our opinion on the accounts in relation to this fundamental uncertainty as we believe the accounts continue to be properly prepared on the going concern basis.

**OPINION**

In our opinion the financial statements give a true and fair view of the company's state of affairs as at 31 March 1998 and of its loss for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Charlotte House  
30 Dudley Road  
Manchester  
M16 8 DT



CHITTENDEN HORLEY  
Chartered Accountants  
& Registered Auditors

Date: 29 June 1998

**TPAS LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 MARCH 1998**

	Note	1998 £	1997 £
<b>TURNOVER</b>		957,118	942,504
Cost of sales		1,076,576	1,041,217
<b>GROSS LOSS</b>		(119,458)	(98,713)
Administrative expenses		477,174	493,073
Other operating income		(497,919)	(558,354)
<b>OPERATING LOSS</b>	2	(98,713)	(33,432)
Interest receivable		4,619	2,541
Interest payable	4	(958)	(1,302)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(95,052)	(32,193)
Tax on loss on ordinary activities	5	132	2,765
<b>LOSS FOR THE FINANCIAL YEAR</b>		(95,184)	(34,958)
Balance brought forward		99,250	134,208
Balance carried forward		4,066	99,250

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 7 to 12 form part of these financial statements.

# TPAS LIMITED

## BALANCE SHEET

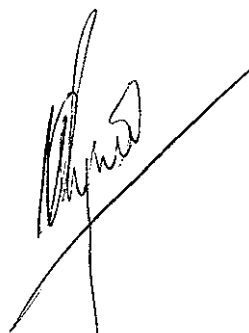
31 MARCH 1998

	Note	1998 £	1997 £
<b>FIXED ASSETS</b>			
Tangible assets	6	70,314	51,721
<b>CURRENT ASSETS</b>			
Stock of publications		4,352	3,829
Debtors	7	289,837	283,406
Cash at bank and in hand		90,089	193,600
		<u>384,278</u>	<u>480,835</u>
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>(440,870)</u>	<u>(412,049)</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		(56,592)	68,786
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,722</u>	<u>120,507</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	9	<u>(4,488)</u>	<u>(7,693)</u>
		9,234	112,814
<b>ACCRUALS AND DEFERRED INCOME</b>	10	(5,168)	(13,564)
		<u>4,066</u>	<u>99,250</u>
<b>RESERVES</b>	14		
Profit and loss account		4,066	99,250
<b>MEMBERS' FUNDS</b>		<u>4,066</u>	<u>99,250</u>

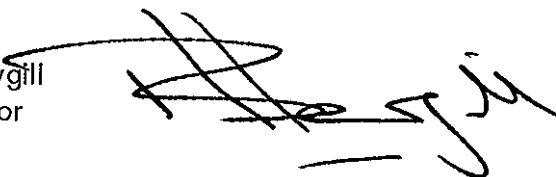
These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Approved by the directors on: 10 June 1998  
and signed on their behalf by:

B Tyrie  
Director



R Hewgill  
Director



The notes on pages 7 to 12 form part of these financial statements.



# **TPAS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 1998**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention.

#### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **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:

Computer equipment	33 1/3%
Furniture & fittings	10%
Office equipment	20% & 25%

#### **Stocks**

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

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

#### **Finance lease agreements**

Tangible fixed asset acquired under finance lease contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors. Interest is calculated using the sum of the digits method.

#### **Operating lease agreements**

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **Pension costs**

The company makes contributions of 5% of gross salary to the private pension plans of the individual members of staff. Contributions are charged to the income and expenditure account as they become payable.

#### **Grants**

Government grants on capital expenditure are credited to a deferred account and are released to revenue over the expected useful life of the relevant asset by equal annual amounts. Grants of a revenue nature are credited to income in the period to which they relate.

# TPAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

### 1. ACCOUNTING POLICIES *(continued)*

#### Funds in trust

The company acts as agent in respect of certain trust funds for educational purposes. These funds are held in a separate bank account and the related liability is included in creditors.

### 2. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	1998 £	1997 £
Directors' emoluments	-	-
Staff pension contributions	19,759	27,920
Government grants released	(8,396)	(9,389)
Depreciation	35,819	26,442
Restructuring costs (see note 16)	73,553	0
Profit on disposal of fixed assets	(1,310)	(732)
Auditors' fees	3,200	3,193

### 3. DIRECTORS' REMUNERATION

The directors are all volunteers and do not receive any remuneration for their services.

### 4. INTEREST PAYABLE

	1998 £	1997 £
Finance charges	958	1,302

### 5. TAX ON LOSS ON ORDINARY ACTIVITIES

	1998 £	1997 £
In respect of the year:		
Corporation tax	-	-
Adjustment in respect of previous years:		
Corporation tax	132	2,765
	132	2,765

# TPAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

### 6. TANGIBLE FIXED ASSETS

	Computer equipment £	Furniture & fittings £	Office equipment £	Total £
<b>COST</b>				
At 1 April 1997	95,084	39,447	90,781	225,312
Additions	45,214	453	8,745	54,412
Disposals	(53,662)	-	-	(53,662)
<b>At 31 March 1998</b>	<u>86,636</u>	<u>39,900</u>	<u>99,526</u>	<u>226,062</u>
<b>DEPRECIATION</b>				
At 1 April 1997	85,600	17,442	70,549	173,591
Charge for the year	25,991	3,990	5,838	35,819
On disposals	(53,662)	-	-	(53,662)
<b>At 31 March 1998</b>	<u>57,929</u>	<u>21,432</u>	<u>76,387</u>	<u>155,748</u>
<b>NET BOOK VALUE</b>				
<b>At 31 March 1998</b>	<u>28,707</u>	<u>18,468</u>	<u>23,139</u>	<u>70,314</u>
At 31 March 1997	<u>9,484</u>	<u>22,005</u>	<u>20,232</u>	<u>51,721</u>

#### Hire purchase and finance lease agreements

Included within the net book value of £70,314 is £6,779 (1997 - £9,431) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under finance lease agreements amounted to £2,652 (1997 - £2,652).

### 7. DEBTORS

	1998 £	1997 £
Trade debtors	236,609	219,409
Income & grants receivable	19,441	23,406
Other debtors	33,559	40,591
	<u>289,837</u>	<u>283,406</u>

# TPAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

### 8. CREDITORS: Amounts falling due within one year

	1998		1997	
	£	£	£	£
Trade creditors		132,126		113,680
Other creditors including:				
Corporation tax	-		3,000	
Other taxes and social security	25,652		36,857	
Finance lease creditors	3,206		2,861	
Subscriptions in advance	69,855		65,216	
Funds in trust	35,689		57,863	
Grants & other income in advance	111,449		86,815	
		<u>245,851</u>		<u>252,612</u>
Accruals and deferred income		62,893		45,757
		<u>440,870</u>		<u>412,049</u>

### 9. CREDITORS: Amounts falling due after more than one year

	1998	1997
	£	£
Finance lease creditors	<u>4,488</u>	<u>7,693</u>

### 10. ACCRUALS AND DEFERRED INCOME

	1998	1997
	£	£
Capital grants:		
At 1 April 1997	13,564	22,953
Capital grant released	8,396	9,389
At 31 March 1998	<u>5,168</u>	<u>13,564</u>

# TPAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

### 11. COMMITMENTS UNDER FINANCE LEASE AGREEMENTS

Future commitments under finance lease agreements are as follows:

	1998 £	1997 £
Amounts payable within 1 year	3,206	2,861
Amounts payable between 2 to 5 years	4,488	7,693
	<u>7,694</u>	<u>10,554</u>

### 12. COMMITMENTS UNDER OPERATING LEASES

At 31 March 1998 the company had annual commitments under non-cancellable operating leases as set out below.

	1998		1997	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire:				
Within 1 year	-	-	-	5,326
Within 2 to 5 years	22,900	6,839	22,900	6,839
After more than 5 years	18,385	-	18,385	-
	<u>41,285</u>	<u>6,839</u>	<u>41,285</u>	<u>12,165</u>

### 13. RELATED PARTY TRANSACTIONS

There are no transactions with related parties which require to be disclosed under Financial Reporting Standard 8.

### 14. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. In the event of winding up the members are committed to contributing one pound each. At the year end there were 974 members ( 1997 844).

# TPAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

### 15. GOING CONCERN

Although the company incurred a substantial loss in the year it has sufficient reserves at the balance sheet date to continue trading. However the largest proportion of the loss, approximately £73,500 relates to the one off costs of implementing the company's strategic restructuring plan. This has resulted in lower underlying costs and the directors are confident that the company is now in a position to maximise its future earnings and the financial position of the company is under control.

On the basis of present management accounts and budgets the company is predicted to make a small surplus in 1998/99. The cashflow forecasts show that the company will be able to meet its liabilities as they fall due.

If the company was unable to continue trading then certain adjustments would be required to the assets and liabilities as shown at March 31 1998. The estimated adjustments are as follows:-

	<b>1998</b>
	£
Loss on disposal of fixed assets	40,000
Write down of debtor balances	75,000
Staff termination payments	23,000
Other liquidation costs	100,000
	<u>238,000</u>

### 16. RESTRUCTURING COSTS

Restructuring costs are analysed as follows:-

	<b>1998</b>
	£
Redundancy & severance	30,317
Training & redeployment	7,786
Business planning & review	23,780
Recruitment	3,930
Cambridge office costs	4,899
Office removal & other costs	2,841
	<u>73,553</u>