

**ELDONIAN DEVELOPMENT TRUST LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 30 SEPTEMBER 1996**

**COMPANY NUMBER 2261135**



**ELDONIAN DEVELOPMENT TRUST LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 30 SEPTEMBER 1996**

<b>CONTENTS</b>	<b>PAGE</b>
Directors' Report	1 - 2
Statement of Directors' Responsibilities	3
Auditors' Report	4
Income and Expenditure Account	5
Balance Sheet	6
Notes to the Financial Statements	7 - 12

# **ELDONIAN DEVELOPMENT TRUST LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report together with the audited financial statements of the company for the year ended 30 September 1996.

### **1 Results**

The deficit for the financial year after taxation amounted to £3,991 (1995 £29,154).

### **2 Principal activities and review of the business**

The company was established by the community in the Vauxhall area of Liverpool to provide a vehicle to enable them to contribute towards the physical and economic regeneration of this inner city area. The mission statement of the Trust is to work together in an atmosphere of co-operation, enterprise and determination to regenerate the Vauxhall area, physically and economically so as to meet the needs and culture of the local community and create a self supporting, attractive and distinctive environment for all residents of the area.

The accounts include the investment by the company in the Eldonian Development Trust Limited and The Littlewoods Organisation Plc partnership/joint venture for the provision of day nursery services. The investment has been fully funded by grants which are included in a grants reserve.

The company wholly owns Eldonian Leisure Limited, a company which runs the Eldonian Village Hall. The company also owns fifty per cent of the shares in Eldon Woods Day Nursery Limited which provides day nursery services.

The results of the company continue to be satisfactory.

### **3 Status**

The company is a company limited by guarantee not having a share capital. The Secretary of State for Employment approved the Trust as a Local Enterprise Agency in June 1988. The company is considered to be a subsidiary undertaking of Eldonian Community Trust Limited.

### **4 Post balance sheet events**

Since the year end the company has become registered for VAT purposes.

Also since the year end Eldonian Development Trust has been awarded funding to construct a Multi-use Sports Centre. The funding which will be received once construction is underway will be from the Single Regeneration Budget (via the North Liverpool Partnership), Merseyside Development Corporation and the Sports Lottery Fund.

# **ELDONIAN DEVELOPMENT TRUST LIMITED**

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

### **5 Directors**

The directors during the year were:

J B Fitzpatrick CBE

B J C Goulsbra

L Holden

A McGann MBE

C C Norris (Resigned 30 May 1996)

V Brady (Resigned 30 May 1996)

F D Corfe

W Howard (Appointed 30 May 1996)

R Potter (Appointed 30 May 1996)

D Rowland (Appointed 2 February 1996)

M Kennedy (Appointed 30 May 1996)

W Underwood (Appointed 30 May 1996)

V Carrington (Appointed 30 May 1996)

The company does not have a share capital as it is limited by guarantee.

### **6 Auditors**

A resolution to reappoint the auditors Pannell Kerr Forster will be proposed at the Annual General Meeting.

### **7 Small company exemptions**

The directors have taken advantage in the preparation of the Directors' Report of the special exemptions conferred by Part II of Schedule 8 to the Companies Act 1985.

### **BY ORDER OF THE BOARD**



J Backhouse  
**Secretary**

17 July 1997

## **ELDONIAN DEVELOPMENT TRUST LIMITED**

### **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 surplus or deficit 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 proper accounting records which 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 1985. 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.

**AUDITORS' REPORT TO THE MEMBERS OF  
ELDONIAN DEVELOPMENT TRUST LIMITED**

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

**Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of 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.

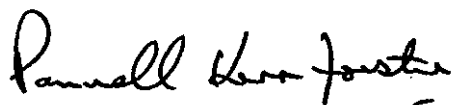
**Basis of opinion**

We conducted our audit in accordance with Auditing Standards. 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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 September 1996 and of its deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Chartered Accountants

Registered Auditors

Liverpool

17 July 1997

**ELDONIAN DEVELOPMENT TRUST LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**

**YEAR ENDED 30 SEPTEMBER 1996**

	Notes	1996 £	1995 £
<b>Income</b>	2	<b>146,793</b>	124,036
Net operating expenses		<b>(152,311)</b>	(111,201)
<b>Operating (deficit)/surplus</b>		<b>(5,518)</b>	12,835
Interest receivable and similar income	4	<b>2,260</b>	1,528
<b>(Deficit)/surplus on ordinary activities before taxation</b>	5	<b>(3,258)</b>	14,363
Tax credit/(charge) on ordinary activities	6	<b>(733)</b>	14,791
<b>(Deficit)/surplus for the year</b>	12.1/12.2	<b>(3,991)</b>	29,154

All amounts relate to continuing operations. The company has no recognised gains or losses other than as shown above.

Movements on reserves are stated in note 12 on page 11.

**ELDONIAN DEVELOPMENT TRUST LIMITED**

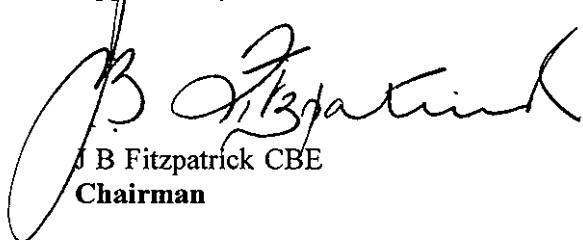
**BALANCE SHEET**

**30 SEPTEMBER 1996**

	Notes	1996 £	1995 £
<b>Fixed assets</b>			
Tangible	7	4,425	5,565
Investments	8	<u>113,302</u>	<u>115,502</u>
		<b>117,727</b>	<b>121,067</b>
<b>Current assets</b>			
Debtors	9	35,874	12,495
Cash at bank and in hand		<u>47,761</u>	<u>103,141</u>
		<b>83,635</b>	<b>115,636</b>
<b>Creditors - amounts falling due within one year</b>	10	<u>(16,166)</u>	<u>(47,516)</u>
<b>Net current assets</b>		<b>67,469</b>	<b>68,120</b>
<b>Net assets</b>		<u><b>185,196</b></u>	<u><b>189,187</b></u>
<b>Represented by:</b>			
Accumulated reserves	12.1	72,396	74,187
Grant reserve	12.2	<u>112,800</u>	<u>115,000</u>
<b>Total funds</b>	13	<u><b>185,196</b></u>	<u><b>189,187</b></u>

We have taken advantage in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

Approved by the board on 17<sup>th</sup> July 1997

  
J B Fitzpatrick CBE  
Chairman

# **ELDONIAN DEVELOPMENT TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 SEPTEMBER 1996**

### **1 ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are material to the company's affairs.

#### **1.1 Basis of accounting**

The accounts have been prepared under the historical cost convention. Consolidated accounts are not prepared as the company is deemed to be an intermediate parent undertaking being under the control of the Eldonian Community Trust Limited. In addition the group is exempt from the preparation of group accounts on the grounds of its size.

#### **1.2 Income**

Income in the form of donations is accounted for on a receipts basis.

#### **1.3 Donations paid**

Donations paid are accounted for on a payments basis.

#### **1.4 Grants**

Revenue grants are credited to the profit and loss account during the year in which the related expenditure is incurred. Where grant is received in advance of the expenditure to which it relates, such grant is carried forward for release to income and expenditure account in future years.

Capital grants are treated as deferred income in the balance sheet and credited to the profit and loss account in accordance with the depreciation policy of the asset to which the grant relates.

Where grants are received in respect of the activities of the partnership between the Eldonian Development Trust Limited and The Littlewoods Organisation Plc they are credited to a grants reserve to the extent that such reserves do not exceed the share of the partnership net assets due to the company at the balance sheet date.

#### **1.5 Depreciation**

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Fixtures and fittings        -        over 5 years

#### **1.6 Pension costs**

The company contributes to a defined contribution pension scheme providing benefits for employees additional to those of the state. The pension cost charge represents contributions payable by the company to the fund in respect of the year.

# ELDONIAN DEVELOPMENT TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30 SEPTEMBER 1996

### 1 ACCOUNTING POLICIES (continued)

#### 1.7 Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will become payable in the foreseeable future.

#### 1.8 Investments

The investment in respect of 50% share in the partnership between the company and The Littlewoods Organisation Plc is stated at 50% of the net assets of the partnership, based upon its unaudited draft accounts.

### 2 INCOME

Income comprises donations received to fund the objectives of the company.

	1996 £	1995 £
Donations received	15,100	11,250
Grants received	131,693	112,786
	<u>146,793</u>	<u>124,036</u>

Included within grants received are grants from government related sources of £129,193.

### 3 DIRECTORS' REMUNERATION

The aggregate amount of directors' emoluments comprised:

Salaries as executives (including pension contributions)	<u>8,020</u>	<u>10,833</u>
--	--------------	---------------

### 4 INTEREST RECEIVABLE AND SIMILAR INCOME

Bank interest	<u>2,260</u>	<u>1,528</u>
---------------	--------------	--------------

### 5 SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' remuneration	1,000	1,762
Depreciation	<u>3,685</u>	<u>3,210</u>

**ELDONIAN DEVELOPMENT TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 30 SEPTEMBER 1996**

**6 TAX ON (DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES**

The tax (charge)/credit on the (loss)/profit on ordinary activities for the year was as follows:	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
Corporation tax on the surplus for the year at 24.75% (1995 25%)	<b>560</b>	-
Under/(over)provision in respect of prior years	<b>173</b>	(14,791)
	<b>733</b>	(14,791)

**7 TANGIBLE FIXED ASSETS**

<b>Cost</b>	<b>Fixtures and equipment</b>
	<b>£</b>
At 1 October 1995	16,050
Additions	3,225
Disposal	(850)
<b>30 September 1996</b>	<b>18,425</b>
<b>Depreciation</b>	
At 1 October 1995	10,485
Charge for year	3,685
Depreciation released on disposal	(170)
<b>At 30 September 1996</b>	<b>14,000</b>
<b>Net book value</b>	
<b>At 30 September 1996</b>	<b>4,425</b>
At 30 September 1995	5,565

**ELDONIAN DEVELOPMENT TRUST LIMITED****NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 30 SEPTEMBER 1996****8 FIXED ASSETS - INVESTMENTS**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
2 £ 1 ordinary shares in Eldonian Leisure Limited		
- wholly owned	<b>2</b>	<b>2</b>
500 £ 1 ordinary shares in Eldon Woods Day Nursery Limited		
- 50% owned	<b>500</b>	<b>500</b>
	<b>502</b>	<b>502</b>
Net assets in respect of 50% share in the partnership between the Eldonian Development Trust Limited and The Littlewoods Organisation Plc.	<b>112,800</b>	<b>115,000</b>
	<b>113,302</b>	<b>115,502</b>

Both Eldonian Leisure Limited and the Eldon Woods Day Nursery Limited are incorporated in Great Britain. The partnership was established as a joint venture for the provision of day nursery services, which are provided by Eldon Woods Day Nursery Limited.

**9 DEBTORS**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Amount due from related company undertakings	<b>12,267</b>	<b>6,610</b>
Other debtors	<b>18,967</b>	<b>1,989</b>
Prepayments	<b>4,640</b>	<b>273</b>
Taxation recoverable	<b>-</b>	<b>3,623</b>
	<b>35,874</b>	<b>12,495</b>

**10 CREDITORS****Amounts falling due within one year:**

Corporation tax	<b>560</b>	<b>273</b>
Other taxation and social security	<b>-</b>	<b>2,465</b>
Amounts due to related undertaking	<b>6,825</b>	<b>1,304</b>
Accruals	<b>3,093</b>	<b>6,839</b>
Revenue grants received in advance	<b>-</b>	<b>23,250</b>
Deferred income (note 11)	<b>-</b>	<b>2,360</b>
Other creditors	<b>5,688</b>	<b>11,025</b>
	<b>16,166</b>	<b>47,516</b>

**ELDONIAN DEVELOPMENT TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 30 SEPTEMBER 1996**

**11 ACCRUALS AND DEFERRED INCOME**

	1995 £
Balance at 1 October 1995	2,360
Transfer to income and expenditure account	(2,360)
<b>Balance at 30 September 1996</b>	<b>-</b>

The above relates to grants received for purchases of a capital nature. The grant is written off to the income and expenditure account over the expected useful life of the asset to which the grant relates in accordance with statement of standard accounting practice number 4.

**12 RESERVES**

£

**12.1 Accumulated reserves**

Accumulated surplus at 30 September 1995	74,187
(Deficit)/surplus for the year	(1,791)
<b>Accumulated surplus at 30 September 1996</b>	<b>72,396</b>

**12.2 Grants reserve**

Balance at 30 September 1995	115,000
Movement in share of net assets of the activities to which the grants relate	(2,200)
<b>Balance at 30 September 1996</b>	<b>112,800</b>

In the event of the assets to which this grant relates to, being disposed of, or the project to which the grant relates being terminated, this amount would be repayable to Merseyside Development Corporation.

**13 RECONCILIATION OF MOVEMENTS IN TOTAL FUNDS**

	1996 £	1995 £
At 30 September 1995	189,187	160,033
(Deficit)/surplus for the year	(1,791)	31,354
Movement on grants reserve	(2,200)	(2,200)
<b>At 30 September 1996</b>	<b>185,196</b>	<b>189,187</b>

**ELDONIAN DEVELOPMENT TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 30 SEPTEMBER 1996**

**14 PENSION COSTS**

The company participates in the Pensions Trust pension scheme and the assets of that scheme are held separately from those of the company.

Contributions payable by the company to the scheme during the year amounted to £4,395 (1995: £4,904) of which contributions of £875 (1995 £1,801) were outstanding at the year end.

**15 STATUS OF COMPANY**

The company is limited by guarantee and does not have a share capital.

**16 CONTROLLING COMPANY**

As a result of the powers granted to Eldonian Community Trust Limited, to nominate all directors of the company at its Annual General Meeting, the company is considered to be a subsidiary company of Eldonian Community Trust Limited, a company incorporated in Great Britain.