

ELDONIAN DEVELOPMENT TRUST LIMITED
REPORT
YEAR ENDED 30 SEPTEMBER 1994

COMPANY NUMBER 2261135



ELDONIAN DEVELOPMENT TRUST LIMITED

REPORT

YEAR ENDED 30 SEPTEMBER 1994

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DIRECTORS' REPORT

The directors submit their report together with the audited financial statements of the company for the year ended 30 September 1994.

1 RESULTS

The surplus for the year after taxation amounted to £18,989.

2 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 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 DIRECTORS

The directors during the year were:-

J P Batty	(Resigned 2 September 1994)
J B Fitzpatrick CBE	(Appointed 6 March 1995)
G A Bishop	
B J C Goulsbra	
L Holden	
A McGann MBE	
C C Norris	
E Norris	
P G Orr	(Resigned 11 April 1994)
M Parkinson	(Resigned 6 March 1995)
G S F Piper	(Resigned 18 February 1994)
Sir J W Smith	(Resigned 18 February 1994)
V Brady	(Appointed 13 June 1994)
G V Cooke	(Appointed 13 June 1994, resigned 6 March 1995)
F D Corfe	(Appointed 28 November 1994)

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

DIRECTORS' REPORT

5 AUDITORS

A resolution to appoint auditors will be proposed at the Annual General Meeting.

6 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



C W Tremeer
Secretary

24 April 1995

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 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 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. 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.

ELDONIAN DEVELOPMENT TRUST LIMITED

We have audited the financial statements on page 5 to 11 which have been prepared under the accounting policies set out on page 7.

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 1994 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Pennell Kew Foster

Chartered Accountants

Registered Auditors

Liverpool

24th April 1995.

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 SEPTEMBER 1994

	Notes	1994 £	1993 £
INCOME	2	141,185	145,308
Net operating expenses		(115,691)	(117,822)
OPERATING SURPLUS		25,494	27,486
Investment income	3	1,015	445
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	4	26,509	27,931
Taxation	6	(7,520)	(7,095)
SURPLUS FOR THE YEAR	7a	18,989	20,836

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 7 on page 9.

BALANCE SHEET

YEAR ENDED 30 SEPTEMBER 1994

	Notes	1994	1993
		£	£
FIXED ASSETS			
Tangible	8	4,850	7,275
Investments	9	117,702	118,300
		<hr/>	<hr/>
		122,552	125,575
CURRENT ASSETS			
Debtors	10	8,065	16,039
Cash at bank and in hand		86,824	47,382
		<hr/>	<hr/>
		94,889	63,421
CREDITORS - amounts falling due within one year	11	(57,408)	(46,852)
		<hr/>	<hr/>
NET CURRENT ASSETS		37,481	16,569
		<hr/>	<hr/>
NET ASSETS		160,033	142,144
		<hr/>	<hr/>
REPRESENTED BY:-			
Accumulated reserves	7a	42,833	23,844
Grant reserve	7b	117,200	118,300
		<hr/>	<hr/>
TOTAL FUNDS	13	160,033	142,144
		<hr/>	<hr/>

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 24 April 1995


Director

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 30 SEPTEMBER 1994

1 ACCOUNTING POLICIES

a) 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 Eldonian Community Trust Limited. In addition the group is exempt from the preparation of group accounts on the grounds of its size.

b) Income

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

c) Donations paid

Donations paid are accounted for on a payments basis.

d) Grants

Revenue grants are credited to the profit and loss account during the year in which the related expenditure is incurred.

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.

e) 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 equipment	-	over 5 years
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f) 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.

g) 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.

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 30 SEPTEMBER 1994

2 INCOME

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

	1994 £	1993 £
Donations received	53,200	73,090
Fee income	425	10,863
Grants received	87,560	61,355
	<hr/>	<hr/>
	141,185	145,308
	=====	=====

3 INTEREST RECEIVABLE

Bank interest	1,015	445
	=====	=====

4 SURPLUS ON ORDINARY ACTIVITIES
BEFORE TAXATION

The surplus for the year is after charging:-

Auditors' remuneration	2,996	1,498
Depreciation	2,425	2,425
	=====	=====

5 DIRECTORS' REMUNERATION

The aggregate amount of directors' emoluments comprised:

Salaries as executives (including pension contributions)	9,264	5,987
	=====	=====

6 TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1994 £	1993 £
Based on the results for the year	7,000	6,990
Underprovision in respect of prior year	520	105
	<hr/>	<hr/>
	7,520	7,095
	=====	=====

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 30 SEPTEMBER 1994

7	RESERVES	£
a)	Accumulated reserves	
	Accumulated surplus at 30 September 1993	23,844
	Surplus for the year	18,989

	Accumulated surplus at 30 September 1994	42,833
		=====
b)	Grants reserve	
	Balance at 30 September 1993	118,300
	Movement in share of net assets of the activities to which the grants relate	(1,100)

	Balance at 30 September 1994	117,200
		=====

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

8	TANGIBLE FIXED ASSETS	Fixtures & equipment
	Cost	£
	At 1 October 1993 and 30 September 1994	12,125
		=====
	Depreciation	
	At 1 October 1993	4,850
	Charge for year	2,425

	At 30 September 1994	7,275
		=====
	Net book value	
	At 30 September 1994	4,850
		=====
	At 30 September 1993	7,275
		=====

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 30 SEPTEMBER 1994

9	FIXED ASSETS - INVESTMENTS	1994 £	1993 £
	2 £1 ordinary shares in Eldonian Leisure Limited - wholly owned	2	-
	500 £1 ordinary shares in Eldon Woods Day Nursery Limited - 50% owned	500	-
		<hr/>	<hr/>
		502	Nil
	Net assets in respect of 50% share in the partnership between the Eldonian Development Trust Limited and The Littlewoods Organisation Plc	117,200	118,300
		<hr/>	<hr/>
		117,702	118,300
		=====	=====

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

10 DEBTORS

Amounts falling due within one year:

Amount due from related company undertakings	8,065	8,539
Other debtors	-	7,500
	<hr/>	<hr/>
	8,065	16,039
	=====	=====

11 CREDITORS

Amounts falling due within one year:

Corporation tax	11,441	6,673
Other taxation and social security	2,114	1,475
Accruals	16,133	8,624
Deferred income (note 12)	4,720	7,080
Other creditors	23,000	23,000
	<hr/>	<hr/>
	57,408	46,852
	=====	=====

ELDONIAN DEVELOPMENT TRUST LIMITED

MANAGEMENT INFORMATION
SCHEDULE

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 SEPTEMBER 1994

	1994		1993	
	£	£	£	£
INCOME				
Grant - Merseyside Development Corporation		37,500		9,875
Grant - Liverpool City Council		46,000		48,000
Donations received		53,200		73,090
Fee income		425		10,863
Bank interest received		1,015		445
Grant - Urban Aid Programme		2,360		2,360
Grant - Sci-Tech		1,700		1,120
		<hr/>		<hr/>
		142,200		145,753
EXPENDITURE				
Grants paid	27,825		21,645	
Donations	3,800		30,000	
Staff costs	54,822		49,612	
Pension costs	7,192		-	
Advertising, postage, printing, and stationery	2,657		1,395	
Office expenses and cleaning	2,322		1,434	
Travel expenses	769		381	
Legal and professional	1,171		4,044	
Legal and professional recovered re prior years	(2,004)		-	
Conferences and training	675		40	
Subscriptions	276		302	
Entertaining	345		521	
Subsistence	331		-	
Audit and accountancy				
- current year	2,996		1,498	
- prior year overprovision	(117)		-	
Rent and rates	1,790		1,046	
Bank charges	198		169	
Bookkeeping	-		110	
Publicity costs	28		32	
Telephone	1,246		2,701	
Insurance	976		-	
Heat and light	391		223	
Depreciation	2,425		2,425	
General expenses	577		244	
Bad debt written off	5,000		-	
		<hr/>		<hr/>
		(115,691)		(117,822)
SURPLUS BEFORE TAXATION				
		<hr/>		<hr/>
		26,509		27,931
		=====		=====

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 30 SEPTEMBER 1994

12 ACCRUALS AND DEFERRED INCOME

£

Balance at 1 October 1993	7,080
Transfer to income and expenditure account	(2,360)
	<hr/>
Balance at 30 September 1994	4,720
	<hr/>

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.

13 RECONCILIATION OF MOVEMENTS IN TOTAL FUNDS

1994

1993

£

£

At 30 September 1993	142,144	3,008
Surplus for the year	18,989	20,836
Movement on grants reserve	(1,100)	118,300
	<hr/>	<hr/>
At 30 September 1994	160,033	142,144
	<hr/>	<hr/>

14 PENSION COSTS

The company participates in the Pension 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 £7,192 (1993 Nil) of which contributions of £1,798 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 England and Wales.