

**SOUTHLINK DEVELOPMENTS LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2005**

**REGISTERED NO. 2403878**



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**SOUTHLINK DEVELOPMENTS LIMITED**

**DIRECTORS AND ADVISERS**

**BOARD DIRECTORS**

J JOHNSON

J A McARDLE

D R HIBBERT

J R BLAND                      Appointed 20/01/2003

K AHMED                      Appointed 10/06/2004

**BOARD MEMBER**

J MITCHELL

**REGISTERED AUDITORS**

STEPHEN SENIOR & COMPANY  
147 UNION ST  
OLDHAM  
OL1 1TD

**SECRETARY & REGISTERED OFFICE**

AILEEN JOHNSON  
CIVIC CENTRE  
WEST STREET  
OLDHAM  
OL1 1UL

## **SOUTHLINK DEVELOPMENTS LIMITED**

### **CHAIRMAN'S STATEMENT**

The continued inactivity of the company is the result of the restrictions which apply to companies wholly owned by a local authority. The company has only a limited amount of development land remaining and has no significant income earning assets. In view of these factors it is felt that consideration should now be given to the future of the company in its present form, however, no final decision has been made in this respect and hence the Directors consider it appropriate to prepare the accounts on a going concern basis.

## **SOUTHLINK DEVELOPMENTS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005**

The Directors present their report and the audited financial statements for the year ended 31 March 2005.

#### **PRINCIPAL OBJECTIVES**

The principal activity of the Company is that of a property developer.

#### **RESULTS FOR THE YEAR**

The loss for the year was £1,038 (2003/04 - Loss: £1332)

The deficit carried forward to next year is £4,942

#### **CHANGES IN FIXED ASSETS**

There were no changes in fixed assets during the year.

#### **DIRECTORS**

The Directors of the Company as at 31 March 2005 are listed on page 1.

#### **EMPLOYEES AND ADMINISTRATION**

The Board's policy with regard to the running of the Company is to work closely with the Council.

The Company has no employees, therefore, all necessary professional and administrative services are obtained from appropriate Council staff. A proportion of the relevant employment costs are reimbursed by the Company to the Council.

This also applies to those Council Officers who are directors of the Company. The amount shown in the financial statements for directors remuneration consequently includes additional sums in respect of management. These are paid not to the directors themselves but to the Council.

More specialised financial and taxation advice is provided by Stephen Senior & Company.

#### **FUTURE DEVELOPMENTS**

The development land now owned by the company is now reduced to a few acres located on the Southlink Business Park.

There are no developments planned in the financial year, ending 31 March 2005, the company now having been inactive in undertaking developments for several years. Consideration is being given to maintaining the company in its current form.

#### **TAXATION**

The Company is liable in the ordinary way to corporation tax on its profits or surpluses.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial period that 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.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the 12 months ended 31 March 2005 and that applicable accounting standards have been followed and that it is appropriate to prepare the accounts on the going concern basis.

The directors are responsible for keeping proper accounting records that 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**

The auditors, Stephen Senior & Company, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

**By order of the Board**

A handwritten signature in black ink, appearing to read "Aileen Johnson", written in a cursive style.

**Aileen Johnson**  
**Company Secretary**

## **SOUTHLINK DEVELOPMENTS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE BOARD DIRECTORS AND MEMBER OF SOUTHLINK DEVELOPMENTS LIMITED**

We have audited the financial statements on pages 6 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

#### **Basis of audit 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.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Stephen Senior & Co

Chartered Certified Accountants and Registered Auditors

Oldham

[Date] 3/11/05

**SOUTHLINK DEVELOPMENTS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE  
YEAR ENDED 31 MARCH 2005**

	Notes	2005 £	2004 £
<b>Continuing Operations</b>			
Administrative Expenses		(1,038)	(1,332)
Loss on ordinary activities before taxation		<u>(1,038)</u>	<u>(1,332)</u>
Taxation	2	-	-
Loss for the year		<u>(1,038)</u>	<u>(1,332)</u>

The company has no recognised gains and losses other than those included in the loss above and, therefore, no separate statement of total recognised gains and losses has been prepared.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents.



**SOUTHLINK DEVELOPMENTS LIMITED**

**BALANCE SHEET AS AT 31 MARCH 2005**

	Notes	2005 £	2004 £
<b>FIXED ASSETS</b>			
Investment	4	<u>50</u>	<u>50</u>
<b>CURRENT ASSETS</b>			
Debtors	5	158	157
CREDITORS : amounts falling due within one year	6	<u>(2,746)</u>	<u>(1,708)</u>
Net Current Liabilities		<u>(2,589)</u>	<u>(1,551)</u>
Net Liabilities		<u>(2,539)</u>	<u>(1,501)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	2,403	2,403
Profit and Loss account	9	(4,942)	(3,904)
Equity Shareholders Funds	10	<u>(2,539)</u>	<u>(1,501)</u>

The financial statements were approved by the Board of Directors on  
and were signed on its behalf by :

DIRECTOR

*David Hibbert*

DATE

*3/4/05*

## **SOUTHLINK DEVELOPMENTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005**

#### **1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

##### **Basis of Accounting**

The financial statements are prepared in accordance with the historical cost convention. The financial statements have also been prepared on the going concern basis as the Company has the support of its parent Company, Oldham Economic Development Association Limited.

##### **Deferred Taxation**

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallize.

#### **2. TAXATION**

The taxation charge for the year is Nil (2004 : Nil)

#### **3. DIRECTORS EMOLUMENTS**

The Directors receive no fees

#### **4. INVESTMENTS**

The long term investment of £50 relates to a 18.9% holding, held in trust for OMBC in the Joint Venture Company Oldham Property Partnerships Ltd (OPP Ltd), formerly Hiretarget Ltd., a company registered in England and Wales, which operates as a property construction, development and contracting company. Southlink Developments Ltd. also holds on trust for OMBC 8,517,000 £1 Preference shares in OPP Ltd.

#### **5. DEBTORS :**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year :		
VAT Refund	158	157
	<u>158</u>	<u>157</u>

## SOUTHLINK DEVELOPMENTS LIMITED

### 6. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Amounts owed to parent company	2,746	1,709
	<u>2,746</u>	<u>1,709</u>

### 7. INFORMATION ON THE PARENT COMPANY

The Company is a 100% subsidiary of Oldham Economic Development Association Ltd. (OEDA Ltd.), a company registered in England and Wales. The directors regard Oldham Metropolitan Borough Council (OMBC) as the ultimate controlling party. The principal place of business for OMBC is the Civic Centre, West Street, Oldham, OL1 1UL.

### 8. SHARE CAPITAL

	2005	2004
	£	£
AUTHORISED		
2,000 "A" Ordinary Shares of £1 each	2,000	2,000
403 "B" Ordinary Shares of £1 each	<u>403</u>	<u>403</u>
	<u>2,403</u>	<u>2,403</u>
ALLOTTED, ISSUED AND FULLY PAID		
2,000 "A" Ordinary Shares of £1 each	2,000	2,000
403 "B" Ordinary Shares of £1 each	<u>403</u>	<u>403</u>
	<u>2,403</u>	<u>2,403</u>

Southlink Developments Ltd. was originally a joint venture between OEDA Ltd and Asdene & Windsor Ltd. who were issued with A & B shares respectively. A and B shares carry the same rights and privileges with regard to voting, distribution of profits and assets on dissolution. OEDA Ltd acquired all the shares in Southlink Developments Ltd when Asdene & Windsor Ltd. went into liquidation in December 1992.

### 9. RESERVES

	PROFIT AND LOSS ACCOUNT
	£
At 1 April 2004	(3,904)
Loss for the year	(1,038)
At 31 March 2005	<u>(4,942)</u>

**SOUTHLINK DEVELOPMENTS LIMITED**

**10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2005</b>	<b>2004</b>
Loss on ordinary activities after taxation	(1,038)	(1,332)
Opening shareholders' funds	(1,501)	(169)
Closing shareholders' funds	<u>(2,539)</u>	<u>(1,501)</u>