

Company number 3016028

CEPB DEVELOPMENTS LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1996



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## **COMPANY INFORMATION**

**Directors:** Mr. H. Gracey (Chairman)

The Ven. A.H.M. Turner

The Ven. R.B. Harris

Mr. T.J.P. Stevenson

**Secretary:** Mr. R.G. Radford

**Registered Office:** 7, Little College Street,  
Westminster, London  
SW1P 3SF

**Auditors:** Coopers & Lybrand,  
1, Embankment Place,  
London WC2N 6NN.

**Bankers:** Lloyds Bank PLC,  
City Office,  
PO Box No.217,  
72, Lombard Street,  
London EC3P 3BT.

## **CEPB DEVELOPMENTS LIMITED**

### **DIRECTORS REPORT**

The Directors present their report and the audited financial statements of the company for the year ending 31 December 1996.

### **PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS**

The profit and loss account for the year is shown on page 6. The company's principal activity is undertaking property and building developments. In January 1996, work commenced on the construction of a new residential home on a site in Worthing for the Church of England Pensions Board. These works should be completed by the autumn of 1997.

During the year, two further contracts were entered into with the Board - for the modernisation of its nursing home at Hindhead, and for the construction of a new residential home in Scarborough. Work on the contract at Hindhead commenced in January 1997.

Other than the commencement of works in Hindhead, referred to above, there have been no events since the Balance Sheet date which materially affect the position of the company.

### **DIVIDENDS**

The Directors recommend the payment of a dividend of £18,980.

### **DIRECTORS**

The Directors of the company who served during the year have been as follows:-

	<b>Date of Appointment</b>	<b>Date of Resignation</b>
Mr. H. Gracey	23 February 1995	
Mr. J.F.M. Smallwood	23 February 1995	20 March 1996
The Ven. A.H.M. Turner	22 March 1995	
The Ven. E.C.F. Stroud	22 March 1995	20 March 1996
The Ven. R.B. Harris	20 March 1996	
Mr. T.J.P. Stevenson	20 March 1996	

No director has held any shares in the company during the year.

## **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:

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgements and estimates that are reasonable and prudent;
- (iii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- (iv) 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.

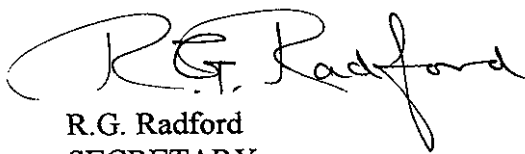
## **CHARITABLE CONTRIBUTIONS**

Under a Deed of Covenant £260,000 has been paid to The Church of England Pensions Board, a registered charity, and this amount has been included in Administration Expenses.

## **AUDITORS**

In accordance with Section 385 of the Companies Act 1985 a Resolution proposing the re-appointment of Coopers & Lybrand as auditors to the Company will be put to the Annual General Meeting.

APPROVED BY THE BOARD ON 7 MAY 1997 AND SIGNED ON THEIR BEHALF BY:

  
R.G. Radford  
SECRETARY

# **REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF CEPB DEVELOPMENTS LIMITED**

We have audited the financial statements on pages 6 to 9.

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

As described on page 4, 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 report our opinion to you.

## **Basis of Opinion**

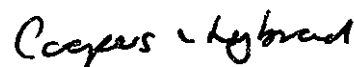
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 the 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 as at 31 December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

25 June 1997  
London.



COOPERS & LYBRAND  
Chartered Accountants  
and Registered Auditors.

**CEPB DEVELOPMENTS LTD****Profit and loss account for the year ended 31 December 1996**

	Notes	1996	1995 (30 January to 31 December)
		£	£
Turnover	2	1,273,255	188,418
Cost of sales		<u>(1,273,255)</u>	<u>(188,418)</u>
Gross Profit		-	-
Administration Expenses	4	<u>(264,812)</u>	<u>( 93,836)</u>
Operating Loss		(264,812)	( 93,836)
Interest receivable	5	<u>189,525</u>	<u>194,178</u>
(Loss)/Profit on ordinary activities before taxation	6	(75,287)	100,342
Taxation on ordinary activities	7	<u>(6,075)</u>	<u>-</u>
(Loss)/Profit on ordinary activities after tax		(81,362)	100,342
Dividends		<u>(18,980)</u>	<u>-</u>
Retained(loss)/profit for the year		<u><b>(£100,342)</b></u>	<u><b>£100,342</b></u>

There are no gains or losses in the period other than those recognised in the profit and loss account.

**Balance sheet as at 31 December 1996**

		1996	1995
		£	£
Current assets			
Debtors - amounts falling due within one year	8	136,356	133,945
Cash at bank		<u>2,316,844</u>	<u>3,398,288</u>
		2,453,200	3,532,233
Creditors - amounts falling due within one year	9	<u>(2,453,198)</u>	<u>(3,431,889)</u>
Net current assets		<u><b>£2</b></u>	<u><b>£100,344</b></u>
<u>Capital &amp; reserves</u>			
Share capital	10	2	2
Profit and loss account	11	<u>-</u>	<u>100,342</u>
Total equity shareholders funds		<u><b>£2</b></u>	<u><b>£100,344</b></u>

The financial statements on pages 6 to 10 were approved by the Board on 7 May 1997 and signed on their behalf by:

*Howard Green*  
*John Radford*  
 Director

## **CEPB DEVELOPMENTS LIMITED**

### **NOTES TO FINANCIAL STATEMENTS**

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

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

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

##### **Turnover**

Turnover represents the value of long term contract work performed.

##### **Long term Contracts**

Turnover on long-term contracts is recognised according to the stage reached in the contract by reference to the value of work done. A prudent estimate of the profit attributable to work completed will be recognised once the outcome of the contract can be assessed with reasonable certainty. The amount by which the payments on account exceeds turnover is shown under creditors as payments on account.

##### **Cashflow statement**

The company is a wholly owned subsidiary of the General Purposes Fund of the charitable funds of the Church of England Pensions Board and the cash flows are included in the financial statements of that charity.

Consequently, the Company is exempt under the terms of FRS 1 from publishing a cash flow statement.

#### **2. TURNOVER**

Turnover and profit before taxation are derived from continuing operations and are wholly attributable to the company's principal activity which is carried on within the United Kingdom.

#### **3. EMPLOYEE INFORMATION**

Other than the four directors, who received no remuneration, the company had no employees in the period.

#### **4. ADMINISTRATION EXPENSES**

The Administration Expenses of £264,812 include a gross charitable donation of £260,000 paid to The Church of England Pensions Board under a deed of covenant.

#### **5. INTEREST RECEIVABLE**

Interest receivable of £189,525 includes £31,000 in respect of interest accrued on bank deposits.



6. **PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	1996	1995
Is stated after charging:		
Auditors' remuneration	<u>£ 3,000</u>	<u>£3,500</u>

7. **TAXATION ON PROFIT ON ORDINARY ACTIVITIES**

Most of the profit that would have been chargeable to Corporation Tax has been paid to The Church of England Pensions Board, a registered charity, under a Deed of Covenant.

	1996	1995
	£	£
United Kingdom Corporation tax at 24 1/4%	<u>6,075</u>	<u>-</u>

8. **DEBTORS**

	1996	1995
	£	£
Amount owed by parent undertaking	-	28,073
Advance Corporation tax	4,745	-
Value Added Tax recoverable	100,611	5,530
Accrued income	<u>31,000</u>	<u>100,342</u>
	<u>136,356</u>	<u>133,945</u>

9. **CREDITORS**

	1996	1995
	£	£
Trade Creditors	29	4,914
Payments received on account	2,368,327	3,411,582
Corporation tax payable	6,075	-
Advance Corporation tax	4,745	-
Income Tax payable	53,042	14,393
Accruals	2,000	1,000
Dividends payable	<u>18,980</u>	<u>-</u>
	<u>2,453,198</u>	<u>3,431,889</u>

10. **SHARE CAPITAL**

	1996	1995
	£	£
Authorised		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, Called Up and Fully Paid		
2 Ordinary Shares of £1 each	<u>2</u>	<u>2</u>

11. **RESERVES**

**Profit and loss account**

	1996	1995
	£	£
Reserves brought forward	100,342	-
(Loss)/Profit for the period	<u>(100,342)</u>	<u>100,342</u>
Reserves as at 31 December 1996	<u>-</u>	<u>100,342</u>

12. **ULTIMATE PARENT UNDERTAKING**

The Directors regard the General Purposes Fund of the Church of England Pensions Board as the ultimate Parent Undertaking. Copies of the Parent's consolidated financial statement can be obtained from:-

The Church of England Pensions Board  
7, Little College Street,  
Westminster, London SW1P 3SF

13. **RELATED PARTY TRANSACTIONS**

The General Purposes Fund of the Church of England Pensions Board is considered to be the controlling party of the Company.

Transactions in the year with the Church of England Pensions Board, a related party, were as follows:-

Amounts paid under Deed of Covenant	£260,000 (see Note 4)
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Amount received from Church of England Pensions Board as payment on account	£130,000
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As at 31 December 1996, creditors include an amount of £2,368,327, in respect of payments received on account in excess of the value of work done for the Board.