Glendale Liverpool Limited

Financial statements

For the period ended 31 March 2007

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COMPANIES HOUSE

Company No. 05765738

Company information

Company registration number :	05765738
Registered office :	Parkwood House Cuerden Park Berkeley Drive Bamber Bridge Preston Lancashire PR5 6BY
Directors :	M H Brunskill N L Ng E L Oates N Temple-Heald C B Turner
Secretary :	N J Burns
Bankers :	National Westminster Bank Plc Corporate Banking 6th Floor 1 Spinningfields Square Manchester M60 2FT
Solicitors :	William Heath & Co 16 Sale Place Sussex Gardens London W2 1PX Parker Arrenberg 37 Rushey Green Catford London SE6 4AS
Auditors :	Grant Thornton UK LLP Registered Auditors Chartered Accountants 4 Hardman Square Spinningfields Manchester M3 3EB

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Report of the directors

The directors present their report together with the audited financial statements for the period ended 31 March 2007

Principal activity

The Company was incorporated on 3 April 2006 Its principal activity is the management of parks and open spaces for the local authority

Results and dividends

The Company's loss after tax for the period amounted to £7,826 The directors do not recommend the payment of a dividend

Financial risk management objectives and policies

The Company qualifies as a small Company and is therefore exempt from the requirement to disclose its financial risk management objectives and policies

Directors

The directors of the Company are listed below All served on the Board throughout the period unless otherwise stated

M H Brunskill	(appointed 13 October 2006)
N L Ng	(appointed 3 April 2006)
E L Oates	(appointed 13 October 2006)
N Temple-Heald	(appointed 3 April 2006)
C B Turner	(appointed 20 October 2006)

C Bithell was appointed as a director of the Company on 3 April 2006 and resigned as a director of the Company on 22 December 2006

Employees

The Company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed by the Company Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the Company

Employee involvement

The flow of information to staff has been maintained by our staff newspaper Members of the management team regularly visit trading sites within the Company and discuss with members of staff matters of current interest and concern to the stakeholders

Report of the directors

Environmental policy
The Company aims to be sensitive to the local communities cultural, social and economic needs, and seeks to ensure that its activities enhance the communities as places to work and live in The Company seeks to ensure that its operations do not have a negative impact on the environment Apart from compliance with all environmental regulations, the Company endeavours to promote the effective management of natural resources and encourages energy efficiency as well as waste minimisation and recycling where economically viable means of doing so are available

Statement of directors' responsibilities
The directors are responsible for preparing the Financial Statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union

Company law in the United Kingdom requires the directors to prepare financial statements for each financial period, 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 these financial statements, the directors confirm that they have

- selected appropriate accounting policies and then applied them consistently
- made judgements and estimates that are reasonable and prudent,
- followed applicable accounting standards, subject to any material departures disclosed and explained in the financial statements,
- prepared the financial statements on the going concern basis

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and any other irregularities The directors are also responsible for the preparation of the Directors' Report and other information in the financial statements

In so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Change in share capital
Details of the changes in the Company's share capital are set out in note 9 to the financial statements

Report of the directors

Auditors

During the period Grant Thornton UK LLP were appointed to fill a casual vacancy

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD

N J Burns
Company Secretary

20 November 2007

Grant Thornton

Report of the independent auditors to the members of Glendale Liverpool Limited

We have audited the financial statements of Glendale Liverpool Limited for the period ended 31 March 2007 which comprise the principal accounting policies, the income statement, the balance sheet, cash flow statement and notes 1 to 13 These financial statements have been prepared in accordance with the accounting policies set out therein

This report is made solely to the Company's members, 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 members 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 members 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 Directors' Report and the financial statements in accordance with applicable law and International Financial Reporting Standards IFRSs as adopted for use in the European Union 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 International Standards of Auditing (UK and Ireland)
We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework, and are properly prepared in accordance with the Companies Act 1985 We also report to you if whether in our opinion the information given in the Directors' Report is consistent with the financial statements

In addition we report to you if, in our opinion, 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 other transactions is not disclosed

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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

Grant Thornton

Report of the independent auditors to the members of Glendale Liverpool Limited

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, in accordance with those IFRSs as adopted for use in the European Union as applied in accordance with the provisions of the Companies Act 1985, of the state of the Company's affairs as at 31 March 2007 and of its loss for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and article 4 of the IAS Regulation and,
- the information given in the Directors' Report is consistent with the financial statements for the period ended 31 March 2007

Separate opinion in relation to IFRS

In addition to complying with IFRSs as issued by the European Union, the Company has also complied with the IFRSs as issued by the International Accounting Standards Board In our opinion the financial statements give a true and fair view in accordance with the IFRSs, of the statement of the Company's affairs as at 31 March 2007 and of its loss for the period then ended

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
MANCHESTER

24 January 2008

Principal accounting policies

Basis of preparation

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

The principal accounting policies of the Company are set out below

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes Revenue is matched to the periods for which a service is being provided to a customer

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable Dividend income from investments is recognised when the shareholders' rights to receive payment have been established

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses Finance costs related to the construction of property, plant and equipment are capitalised during the construction period Depreciation is provided to write-off the cost, less estimated residual values, of all property, plant and equipment, over their expected useful lives The annual rates generally applicable are

Vehicles	- 25% straight line
Fixtures and fittings	- 10 - 33 3% straight line

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or where shorter, over the term of the relevant lease

Long term contracts

The attributable profit on long-term contracts is recognised once their outcome can be assessed with reasonable certainty The profit recognised reflects the proportion of work completed to date on the project

The Company presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profit (less recognised losses) exceeds progress billings

Full provision is made for losses on all contracts in the period in which the loss is first foreseen

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short term highly liquid investments that are readily convertible into a known amount of cash and are subject to an insignificant risk of changes in value

Principal accounting policies

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provision of the instrument

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity

Employee benefits - retirement benefit costs

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period Details of the company's pension arrangements are set out in note 12 to the financial statements

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved

Income statement

	Note	2007 £
Revenue - continuing operations	1	**3,376,438**
Cost of sales		**(2,507,594)**
Gross profit		**868,844**
Administrative expenses		**(875,081)**
Operating loss		**(6,237)**
Finance income	3	**5,030**
Loss on ordinary activities before taxation	2	**(1,207)**
Taxation	5	**(6,619)**
Loss for the period from continuing operations	10	**(7,826)**

There were no recognised gains or losses other than the loss for the financial period

The accompanying notes form part of these financial statements.

Balance sheet

	Note	2007 £
Non current assets		
Property, plant and equipment	6	1,999
Current assets		
Trade and other receivables	7	437,165
Cash and cash equivalents		114,234
		551,399
Total assets		553,398
Current liabilities		
Trade and other payables	8	(544,605)
Corporation tax liability		(6,619)
		(551,224)
Net current assets		175
Net assets		2,174
Equity		
Share capital	9	10,000
Retained deficit	10	(7,826)
Shareholders' funds	10	2,174

The financial statements were approved by the Board of Directors 20 November 2007 and signed on their behalf by

E Oates

Director

The accompanying notes form part of these financial statements

Cash flow statement

	Note	2007 £
Net cash used in operating activities	11	101,203
Investing activities		
Interest received		5,030
Purchases of property, plant and equipment		(1,999)
Net cash generated from investing activities		3,031
Financing activities		
Issue of share capital		10,000
Net cash generated from financing activities		10,000
Net increase in cash and cash equivalents		114,234
Cash and cash equivalents at the beginning of the period		–
Cash and cash equivalents at the end of the period		114,234
Comprising.		
Cash		114,234

The accompanying notes form part of these financial statements.

Notes to the financial statements

1 Revenue

All revenue is derived from the rendering of services

2 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging	2007 £
Staff costs (note 4)	1,858,299
Auditors' remuneration	
- statutory audit services	5,000

3 Finance income

	2007 £
Bank interest receivable	5,030

4 Directors and employees

Staff costs during the period were as follows	2007 £
Wages and salaries	1,552,090
Social security costs	116,474
Pension costs	189,736
	1,858,299

Directors and employees

The average monthly number of employees during the period was	2007 Number
Operations	180
Administration and management	15
	195

5 Tax on loss on ordinary activities

	2007
The taxation charge is based on the loss for the period and represents	£
UK corporation tax at 30%	6,619
Total current tax	6,619
Deferred taxation charge for the period	
- origination and reversal of timing differences	–
Total tax	6,619

Factors affecting the tax charge for the period

The tax assessed for the period differs from the standard rate of corporation tax in the United Kingdom of 30% The differences are explained as follows

	2007
	£
Loss on ordinary activities before taxation	(1,207)
Tax on profit on ordinary activities at standard rate	(362)
Expenses not deductible for tax purposes	6,981
Total tax	6,619

None of the directors received any emoluments in respect of their services to the Company

6 Property, plant and equipment

	Fixtures and fittings
	£
Costs	
On incorporation	–
Additions	1,999
At 31 March 2007	1,999
Depreciation	
On incorporation and at 31 March 2007	–
Net book value	
At 31 March 2007	1,999

7 Trade and other receivables

	2007
	£
Due within one period	
Trade receivables	165,057
Prepayments	142,379
VAT debtor	129,729
	437,165

All of the trade and other receivables above were receivable under normal commercial terms of 30 days The directors consider that the carrying value of trade and other receivables approximates to their fair value

8 Trade and other payables

	2007
	£
Trade payables	112,819
Accruals	431,786
	544,605

Trade purchases are made under normal commercial terms, generally 30 days The directors consider that the carrying value of trade and other payables approximates to their fair value

9 Share capital

	2007
	£
Authorised	
10,000 Ordinary shares of £1 each	10,000
Allotted, called up and fully paid	
10,000 Ordinary shares of £1	10,000

On incorporation, 10,000 ordinary shares were issued at par for a consideration of £10,000

10 Statement of changes in equity

	Share capital	Retained earnings	Total
	£	£	£
On incorporation	–	–	–
Issue of share capital	10,000	–	10,000
Loss for the year	–	(7,826)	(7,826)
As at 31 March 2007	10,000	(7,826)	2,174

11 Note to the cash flow statement

	2007
	£
Operatıng loss	(6,237)
Operatıng cash flows before movement ın workıng capıtal	(6,237)
Increase ın receıvables	(437,165)
Increase ın payables	544,605
Cash generated from operatıons	107,440
Net cash ınflow from operatıng actıvıtıes	101,203

12 Pensions

Defined contribution scheme

The Company operates a defined contrıbutıon pensıon scheme for the benefit of certaın employees The assets of the scheme are admınıstered by trustees ın a fund ındependent from those of the Company The total cost charged to ıncome of £7,117 represents contrıbutıons payable to the Company's schemes at rates specıfied ın the rules of the plan

Other

Certaın employees partıcıpate ın the Glendale defined benefit pensıon scheme for the benefit of employees who were members of the Local Government Pensıon Scheme prıor to theır employment by the Company The total cost charged to ıncome ın respect of the defined benefit pensıon scheme ıs £55,854 The contrıbutors are paıd ın accordance wıth the advıce of the actuary and the company has no further lıabılıty to fund the scheme beyond ıts contrıbutıons ın the year Contrıbutıons are therefore charged to the ıncome statement ın the year ın whıch they are ıncurred The IAS 19 lıabılıty and dısclosures ın respect of the scheme are ıncluded ın the financıal statements of Glendale Managed Servıces Lımıted

The company also has admıtted body status and contrıbutes on behalf of ıts employees to local government pensıon schemes The total cost charged to ıncome ın the year ın respect of these contrıbutıons ıs £126,764 The contrıbutıons are paıd ın accordance wıth the advıce of the actuary but the company has no further lıabılıty to fund the scheme beyond ıts contrıbutıons paıd ın the year Contrıbutıons are therefore charged to the ıncome statement ın the year ın whıch they are ıncurred

13 Related party transactions

The majority of the Company's costs are borne and subsequently recharged by a fellow subsidiary Company, Glendale Managed Services Limited The total costs recharged during the year amounted to £3,382,675

The creditor balance outstanding at 31 March 2007 amounted to £Nil

The ultimate parent undertaking is Parkwood Holdings Plc, which is registered in England and Wales The largest and smallest group in which the results of the Company are consolidated is that headed by Parkwood Holdings Plc Copies of the parent undertaking's financial statements are available from Companies House