

**NEW CHARTER PROPERTY SERVICES  
LIMITED**

**(Company Number 4351144)**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2004**

## **NEW CHARTER PROPERTY SERVICES LIMITED**

### **DIRECTORS REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2004**

The Directors present herewith the Financial Statements of the Company for the period ended 31<sup>st</sup> March 2004

#### **PRINCIPAL ACTIVITIES**

The principal activity is to act as a general commercial company and specifically, in terms of the Group, to provide a management facility in relation to the Group's property assets. New Charter Property Services Limited is a Company limited by guarantee. The Company does not employ staff directly.

#### **FUTURE DEVELOPMENT**

As an integral element of the New Charter Group the Company provides a management facility in respect of the Group's property assets. It is anticipated that ownership of the headquarters building and other non-residential assets will transfer to this Company in the future.

#### **REVIEW OF THE YEAR**

The Company is responsible for the efficient management of the Group's non-residential assets, principally its headquarters building and town centre shops. The cost of this activity is fully met by other Companies within the Group. The move into the headquarters building started at the close of the trading year, and was expected to be fully occupied by the end of April 2004.

#### **DIRECTORS**

The Directors of the Company who served during the period were:

	<b><u>Appointed</u></b>	<b><u>Resigned</u></b>
Gerald Cooney – Chair	25 <sup>th</sup> June 2002	
James Burns – Vice-Chair	25 <sup>th</sup> June 2002	
Danny McLoughlin	10 <sup>th</sup> January 2002	
Julie Hardman	25 <sup>th</sup> June 2002	
Ian Munro	25 <sup>th</sup> June 2002	
Andrew Broadhurst	10 <sup>th</sup> December 2002	

## **AUDITORS**

At the Board meeting of New Charter Housing Trust Ltd on 25<sup>th</sup> April 2000 the Directors appointed KPMG to act as Auditors for the Group and for each of the Companies therein. In May 2002 KPMG converted to a limited liability partnership, KPMG LLP, with the successor organisation taking the business as Auditors for the Group.

The Auditors, KPMG LLP, are willing to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

## **STATEMENT OF DIRECTORS RESPONSIBILITIES**

Company Law requires the Directors to prepare statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period. In preparing those financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 of fraud and other irregularities.

The report of the Board of Management was approved and signed on its behalf by the Chair of the Board, Gerald Cooney, and James Burns (Director) on 1<sup>st</sup> September 2004.

Mr. DO McLoughlin  
Group Company Secretary  
New Charter Housing Trust Limited  
Cavendish 249  
Cavendish Street  
Ashton-under-Lyne  
OL6 7AT



St James's Square  
Manchester  
M2 6DS

## **Report of the independent auditors to the members of New Charter Property Services Limited**

We have audited the financial statements on pages 6 to 11.

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 auditor's 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 the directors and auditors**

The Directors are responsible for preparing the Annual Report and as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors are established in the United Kingdom by statute, the Auditing Practices Board, and by our profession's ethical guidance.

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. We also report to you if, in our opinion, a satisfactory system of control over transactions has not been maintained, 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 the directors' remuneration and transactions with the Company is not disclosed.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 Board of Management 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 as at 31 March 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

### **KPMG LLP**

*Chartered Accountant  
Registered Auditors*

**NEW CHARTER PROPERTY SERVICES LTD**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDING 31 MARCH 2004**

		<b>2004</b>	<b>2003</b>
		<b>£'000</b>	<b>£'000</b>
<b>Turnover</b>	<b>2</b>	158	149
Operating costs	2	(158)	(149)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION</b>		-	-
Interest receivable and other income		-	-
Interest payable and similar charges		-	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	-
<b>TAXATION</b>			
Taxation on ordinary activities		-	-
<b>REVENUE RESERVE CARRIED FORWARD</b>		-	-

All of the above results derive from continuing operations.

The notes on pages 8 to 11 form an integral part of the financial statements.

**NEW CHARTER PROPERTY SERVICES LIMITED**

**BALANCE SHEET**

**AS AT 31 MARCH 2004**

		2004		2003
		£'000	£'000	£'000
<b>CURRENT ASSETS</b>				
Debtors	4	-		15
<b>CREDITORS</b>				
Amounts falling due within one year	5	-	(15)	
<b>NET CURRENT ASSETS</b>		-		-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		-		-
<b>CREDITORS</b>				
Amounts falling due after more than one year		-		-
<b>NET ASSETS</b>		-		-
<b>CAPITAL AND RESERVES</b>				
Revenue reserve		-		-

The financial statements on pages 6 to 11 were approved on behalf of the Board on the 30th September 2004 and were signed by:

GP Cooney

(Chair)

J Burns

(Director)

D O McLoughlin

(Group Company Secretary)

The notes on pages 8 to 11 form an integral part of the financial statements.

## NEW CHARTER PROPERTY SERVICES LTD

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

#### 1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting by Registered Social Landlords" issued in March 1999 and updated in 2002. A summary of the more important accounting policies which have been applied consistently is set out below.

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

The financial statements have been prepared under the historical cost convention as amended for the valuation of housing properties, and comply with the Companies Act 1985, Accounting Requirements for Registered Social Landlords' General Determination 2000 and the SORP, published in March 1999 and updated in 2002.

##### **Recent Accounting Standards**

The transitional requirements of Financial Reporting Standard 17 (FRS17) Accounting for Retirement Benefits have been adopted. Further details are set out in note 23.

Financial Reporting Standard 18 (FRS18) Accounting Policies has been adopted.

After careful review the directors are satisfied that the current Accounting Policies are the most appropriate and therefore no changes in Accounting Policies are required.

##### **Turnover**

Turnover represents the recharge of salaries and other overheads incurred in the performance of a facilities and asset management service across the Group's non housing stock.

##### **Pension Costs**

The company operates a defined benefit pension scheme based on final pensionable salary. Details of the scheme are set out in note 23 of the Group Accounts. Contributions from the Group and participating employees are paid into an independently administered fund. These payments are made in accordance with triennial calculations by professionally qualified independent actuaries. In the intervening years, the actuary reviews the continuing appropriateness of the rates of contributions.

##### **VAT**

New Charter Housing Trust Group is registered as a Group for VAT purposes. The Trust's main income stream, being rent, is exempt from VAT. The majority of expenditure is subject to VAT, which the Trust is unable to reclaim, this expenditure is therefore shown inclusive of VAT. VAT can be reclaimed under the partial exemption method for certain other activities and is credited to the Income and Expenditure Account.

##### **Cash Flow Statement**

Under FRS1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the cash flow of the company in its own published consolidated accounts.

NEW CHARTER PROPERTY SERVICES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	Turnover	2004 Operating costs	Operating surplus	Turnover	2003 Operating costs	Operating surplus
	£'000	£'000	£'000	£'000	£'000	£'000
<b>TURNOVER</b>						
Intercompany recharges	151			145		
Other income	8			4		
	<u>158</u>			<u>149</u>		
<b>OPERATING COSTS</b>						
Management overheads						
Employee costs		151			146	
Employee related expenses		4			-	
Premises costs		-			-	
Transport costs		-			-	
Supplies & services		3			3	
Overheads		<u>158</u>			<u>149</u>	
Operating surplus			<u>-</u>			<u>-</u>

**NEW CHARTER PROPERTY SERVICES LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**3 EMPLOYEE INFORMATION**

	<b>2004</b>	<b>2003</b>
The average number of persons employed during the year		
Corporate & administrative services	<u>6</u>	<u>4</u>
	<u>6</u>	<u>4</u>
Full time	6	4
Part time	-	-
	<u>6</u>	<u>4</u>

	<b>2004</b>	<b>2003</b>
	<b>£'000</b>	<b>£'000</b>
Staff costs for the above persons were:		
Wages and salaries	125	122
Social security costs	9	9
Other pension costs	<u>12</u>	<u>12</u>
	<u>146</u>	<u>143</u>

**NEW CHARTER PROPERTY SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2004**

	<b>2004</b>	<b>2003</b>
	<b>£'000</b>	<b>£'000</b>
<b>4 DEBTORS</b>		
Amount due from subsidiary undertakings	-	15
	<u>-</u>	<u>15</u>
	<u>-</u>	<u>15</u>

	<b>2004</b>	<b>2003</b>
	<b>£'000</b>	<b>£'000</b>
<b>5 CREDITORS - Amounts falling due within one year</b>		
Amount due to fellow subsidiary undertakings	-	15
	<u>-</u>	<u>15</u>
	<u>-</u>	<u>15</u>

The Group policy to pay creditors within 30 days was achieved.