

**COIN STREET COMMUNITY  
BUILDERS LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2003



Company no 1783483

# COIN STREET COMMUNITY BUILDERS LIMITED

## FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

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Company registration number: 1783483

Registered office: 99 Upper Ground  
London  
EC1 9PP

Directors: N Bell  
E H C Bowman  
T Keller  
P A Morris  
G E Nicholson  
I J Tuckett  
K R Voaden  
K Yefet

Secretary: I J Tuckett

Bankers: Lloyds TSB Bank plc  
South Bank Branch  
2 York Road  
London  
SE1 7LZ

Solicitors: Lovells  
65 Holborn Viaduct  
London  
EE1A 2DY

Auditors: Grant Thornton  
Registered Auditors  
Chartered Accountants  
Grant Thornton House  
Melton Street  
Euston Square  
London  
NW1 2EP

# COIN STREET COMMUNITY BUILDERS LIMITED

## FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

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# COIN STREET COMMUNITY BUILDERS LIMITED

## REPORT OF THE COUNCIL OF MANAGEMENT

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The directors present their report together with the audited financial statements for the year ended 31 March 2003.

### **Business review and principal activity**

The company was incorporated on 1 June 1984 with its principal object being 'the provision of public service within the United Kingdom otherwise than for the purpose of gain'. In July 1984 the company purchased the freehold of approximately 13 acres of London's South Bank with the intention of implementing a mixed development of housing, shopping, light industry, a riverside walkway and park, and various leisure facilities for which an outline planning consent had been granted in January 1993.

During the year under review, the company has worked with local community groups, Coin Street Secondary Housing Co-operative, Metropolitan Housing Trust, the London Boroughs of Lambeth and Southwark, the Department of the Environment, Transport and the Regions, the Government Office for London, the Greater London Authority, the London Development Agency, the Housing Corporation, Nationwide Building Society and private sector organisations to secure the implementation of the scheme. The company has also worked closely with other organisations on the South Bank and is an active member of the South Bank Employers' Group - a body formed to improve amenities in the area.

The company maintains a public exhibition about its work on the ground floor of Oxo Tower Wharf and a website at [www.coinstreet.org](http://www.coinstreet.org).

The Site B development was completed in August 2001 and tenants moved into the new co-operative - Iroko Housing Co-operative in that month. The company is considering plans to develop Site A as a mixture of housing, sports and leisure facilities and offices. It is also considering plans to locate child-care and other community facilities on the Stamford Street end of Site B.

The company managed the riverside walkway, Bernie Spain Gardens, Oxo Tower Wharf and Gabriel's Wharf Market through South Bank Management Services (SBMS), a wholly owned subsidiary until April 2002 when these activities were transferred to the company as noted below. The off-street public car parks are managed by National Car Parks.

Coin Street Community Builders (CSCB) has been carrying out feasibility work on proposed developments on Site A, as a mixture of housing, sports and leisure facilities and offices, and on the Stamford Street end of Site B for a building with child care, training, and other community facilities. CSCB has received confirmation of SRB grants towards design costs for both schemes and is currently progressing them to planning stage. CSCB has carried out extensive public consultation for both schemes and it is hoped that both schemes will be on site in 2004.

In April 1 2002 all SBMS' responsibilities and contractual arrangements passed to CSCB. Staff employed by SBMS are now employed by CSCB, and CSCB took over all liabilities and debts recoverable from SBMS. SBMS has been dormant since April 2002.

### **Results**

The profit after taxation for the year ended 31 March 2003 was £457,449 (2002: loss £154,910).

# COIN STREET COMMUNITY BUILDERS LIMITED

## REPORT OF THE COUNCIL OF MANAGEMENT

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### Council of Management

The following acted as the Council of Management during the year ended 31 March 2003 and are the directors for Companies Act purposes:

N Bell  
E H C Bowman  
T Keller  
P A Morris  
G E Nicholson  
I J Tuckett  
K R Voaden  
K Yefet

The following member of the Council of Management is employed by the company:

I J Tuckett

### Members of Council of Management's responsibilities for the financial statements

United Kingdom company law requires the Members of Council of Management 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 Members of the Council of Management are required to:

- select suitable accounting policies and then 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 Members of the Council of Management are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Political and charitable contributions

No payments have been made in the year (2002: £nil).

### Post balance sheet events

There are no significant post balance sheet events to report.

**COIN STREET COMMUNITY BUILDERS LIMITED**

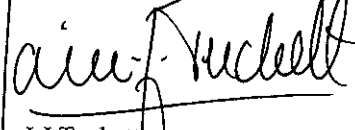
**REPORT OF THE COUNCIL OF MANAGEMENT**

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**Auditors**

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

BY ORDER OF THE BOARD

  
I J Tuckett  
Secretary

26 NOVEMBER 2003

## **REPORT OF THE AUDITORS TO THE MEMBERS OF COIN STREET COMMUNITY BUILDERS LIMITED**

We have audited the financial statements of Coin Street Community Builders Limited for the year ended 31 March 2003 which comprise the principal accounting policies, the profit and loss account, the balance sheet, the cash flow statement and notes 1 to 23. These financial statements have been prepared under 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 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 Members of the Council of Management and auditors**

The Members of Council of Managements' responsibilities for preparing the Members of the Council of Managements' report and the financial statements in accordance with 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.

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 Members of the Council of Managements' 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 with the company is not disclosed.

We read other information contained in the Members of the Council of Managements' report, and consider whether it is consistent with the audited financial statements. We consider the implication for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of opinion**

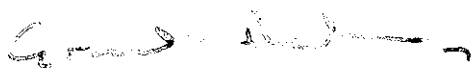
We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
COIN STREET COMMUNITY BUILDERS LIMITED**

**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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

LONDON

26 November 2003

# COIN STREET COMMUNITY BUILDERS LIMITED

## PRINCIPAL ACCOUNTING POLICIES

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### BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain freehold land and buildings, and in accordance with applicable United Kingdom accounting standards.

The company is exempt from preparing consolidated financial statements on the grounds that, taken together with its subsidiaries it qualifies as a medium group under section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

### INVESTMENT PROPERTIES

In accordance with Statement of Standard Accounting Practice No. 19, certain of the company's properties are held for long-term investment and are included in the balance sheet at their open market values (except as disclosed in note 8). The surpluses or deficits on revaluation of such properties are transferred to the investment property revaluation reserve, unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account in the year.

Certain investment properties have not been professionally revalued within the last five years as required by Statement of Standard Accounting Practice No 19. The directors consider that a professional valuation would not be beneficial until negotiations concerning the company's interest in these properties are concluded. The directors consider that the current value of these properties is not less than their carrying value within the balance sheet.

The directors consider the carrying value of these properties within the balance sheet to be not materially different to their valuation on an existing use basis.

Depreciation is not provided in respect of freehold investment properties. This policy represents a departure from statutory accounting policies, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements give a true and fair view, because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation.

Government and other grants received in respect of investment properties in the course of construction, have been deducted from the costs of development to date. This is not in accordance with schedule 4 to the Companies Act, which requires assets to be shown at their purchase price or production cost and hence grants and contributions would be shown as deferred income.

This departure from the requirements of the Companies Act is, in the opinion of the directors, necessary to give a true and fair view as any grants related to such assets would not be taken to the profit and loss account. The financial effect of this departure is disclosed in note 8.

### TANGIBLE FIXED ASSETS AND DEPRECIATION

Depreciation is provided on all tangible fixed assets other than freehold land, investment property and property in the course of construction.

Other fixed assets are depreciated evenly over their expected useful life to a nil residual value:

Equipment	4 years
Office equipment	4 years
Market and temporary buildings	4 years

# **COIN STREET COMMUNITY BUILDERS LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **DEFERRED TAX**

Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation. In accordance with FRS 19, deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date that may give rise to an obligation to pay more or less tax in the future, with the exception that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### **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.

Costs associated with long term contracts are included to the extent that they cannot be matched with contract work accounted for as turnover. Long-term contract balances are included at cost, after provision has been made for any foreseeable losses and the deduction of application payments on account.

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

### **GOVERNMENT AND OTHER GRANTS**

Grants are accounted for on a cash receivable basis and are set off against the related fixed asset or other expenditure.

### **LEASING COMMITMENTS**

Assets held under finance leases are capitalised in the balance sheet and are depreciated over their useful lives. The element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

### **CONTRIBUTIONS TO PENSION SCHEMES**

The company makes contributions to employees' private pension schemes. Contributions are charged to the profit and loss account.

### **GOODWILL**

Purchased goodwill representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalized and is amortised on a straight line basis over its estimated useful economic life. Negative goodwill is written back to the profit and loss account to match the recovery of the non-monetary assets acquired.

# COIN STREET COMMUNITY BUILDERS LIMITED

## PROFIT AND LOSS ACCOUNT

For the year ended 31 MARCH 2003

	Note	2003 £	2002 £
Turnover	1	3,716,307	3,663,572
Cost of sales		<u>(1,004,427)</u>	<u>(1,685,535)</u>
Gross profit		2,711,880	1,978,037
Administrative expenses		<u>(1,774,368)</u>	<u>(1,354,909)</u>
Other operating income		<u>56,765</u>	<u>-</u>
<b>Operating profit</b>	2	994,277	623,128
Interest payable	3	<u>(539,562)</u>	<u>(779,581)</u>
Other interest receivable	4	<u>2,734</u>	<u>1,543</u>
<b>Profit/(loss) on ordinary activities before taxation</b>		457,449	(154,910)
Tax on profit on ordinary activities	6	-	-
<b>Profit/(loss) retained and transferred to reserves</b>	15	<u>457,449</u>	<u>(154,910)</u>

All activities arose from continuing operations.

There were no other recognised gains and losses over than those shown above.

The accompanying accounting policies and notes form an integral part of these financial statements.

# COIN STREET COMMUNITY BUILDERS LIMITED

BALANCE SHEET AT 31 MARCH 2003

	Note	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	7	18,330,733	18,267,698
Investments	8	4	4
		<u>18,330,737</u>	<u>18,267,702</u>
<b>Current assets</b>			
Debtors	9	871,434	878,641
Cash at bank and in hand		179,996	363,492
		<u>1,051,430</u>	<u>1,242,133</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(1,677,704)</u>	<u>(2,321,172)</u>
<b>Net current liabilities</b>		<u>(626,274)</u>	<u>(1,079,039)</u>
<b>Total assets less current liabilities</b>		<u>17,704,463</u>	<u>17,188,663</u>
<b>Creditors: amounts falling due after more than one year</b>	11	<u>(9,111,995)</u>	<u>(9,078,770)</u>
<b>Provisions for liabilities and charges</b>	13	<u>(25,126)</u>	-
		<u>8,567,342</u>	<u>8,109,893</u>
<b>Capital and reserves</b>			
Revaluation reserve	15	10,550,056	10,550,056
Profit and loss account	15	<u>(1,982,714)</u>	<u>(2,440,163)</u>
<b>Total funds</b>		<u>8,567,342</u>	<u>8,109,893</u>

The financial statements were approved by the Council of Management on 26 November 2003

  
I J Tuckett Council member

  
G E Nicholson - Council member

The accompanying accounting policies and notes form an integral part of these financial statements.

**COIN STREET COMMUNITY BUILDERS LIMITED****CASH FLOW STATEMENT**

For the year ended 31 MARCH 2003

	<b>Note</b>	<b>2003 £</b>	<b>2002 £</b>
<b>Net cash inflow from operating activities</b>	18	<b>385,000</b>	3,248,990
<b>Returns on investments and servicing of finance</b>			
Interest received		2,734	1,543
Interest paid		(538,776)	(779,581)
<b>Net cash outflow from returns on investments and servicing of finance</b>		<u>(536,042)</u>	<u>(778,038)</u>
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(94,881)	(143,408)
<b>Net cash outflow from capital expenditure and financial investment</b>		<u>(94,881)</u>	<u>(143,408)</u>
<b>Net cash (outflow)/inflow before financing</b>		<u>(245,923)</u>	2,327,544
<b>Financing</b>			
Receipts from borrowings		350,000	-
Repayments of borrowings		(326,881)	(1,808,728)
<b>Net cash inflow/outflow from financing</b>		<u>23,119</u>	<u>(1,808,728)</u>
<b>(Decrease)/increase in cash</b>	19	<u>(222,804)</u>	<u>518,816</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### 1 TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties, except in respect of long-term contracts where turnover represents the sales work done in the year, including estimates in respect of amounts not invoiced. Turnover is attributable to continuing activities and all of the company's sales for the year have been made within the United Kingdom.

	2003 £	2002 £
Long-term contracts	285,692	1,292,195
Car parking	830,484	858,769
Rental income	1,516,778	1,405,715
Service charges	381,729	-
Other	701,624	106,893
	<u>3,716,307</u>	<u>3,663,572</u>

### 2 OPERATING PROFIT/(LOSS)

This is stated after charging:

	2003 £	2002 £
Auditors' remuneration	30,000	15,300
Depreciation:		
Tangible fixed assets owned	43,740	58,686
Loss on property contract - Site B	-	163,326
Other operating lease rentals - plant and machinery	-	12,909
	<u></u>	<u></u>

### 3 INTEREST PAYABLE

	2003 £	2002 £
On bank loans and overdrafts	<u>539,562</u>	<u>779,581</u>

### 4 INTEREST RECEIVABLE

	2003 £	2002 £
Bank interest receivable	<u>2,734</u>	<u>1,543</u>

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### 5 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2003 £	2002 £
Wages and salaries	821,209	435,224
Social security costs	74,222	54,472
Other pension costs	21,654	28,014
	<u>917,085</u>	<u>517,710</u>

The average number of employees of the company during the year was:

	2003 Number	2002 Number
Administration	<u>37</u>	<u>17</u>

Remuneration in respect of directors (Members of Council of Management) was as follows:

	2003 £	2002 £
Fees	10,782	7,000
Other emoluments	137,677	78,473
Pension contributions to money purchase pension schemes	7,367	5,994
	<u>155,826</u>	<u>91,467</u>

### 6 TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in period

	2003 £	2002 £
<b>Current tax:</b>		
United Kingdom corporation tax on profits of the period	-	-
<b>Deferred tax:</b>		
Origination and reversal of timing differences	-	-
Adjustments in respect of previous periods	-	-
	<u>-</u>	<u>-</u>

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

#### (b) Factors affecting tax charge in the period

The tax assessed for the period is higher than the standard rates (30%) of corporation tax in the United Kingdom. The differences are explained below:

	2003 £	2002 £
Profit/(loss) on ordinary activities before taxation	400,684	(154,910)
Loss on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom 30% (2002: 30%)	120,205	(46,472)
Expenses not deductible for tax purposes	16,623	3,273
Capital allowances for period in excess of depreciation	(62,646)	(48,679)
Group relief not provided	-	1,236
Short term timing differences	-	8,404
(Utiliation)/increase of tax losses	(74,182)	82,238
	-	-

#### Provision for deferred tax

There is the following deferred tax asset not recognised in the financial statements

	2003 £	2002 £
Accelerated capital allowances	247,559	261,597
Short term timing differences	-	(12,028)
Tax losses carried forward	(551,273)	(682,013)
	(303,714)	(432,444)

The deferred tax asset has not been recognised as it is considered that it cannot be regarded as more likely than not that there will be suitable profits in the future.

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### 7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Market and temporary buildings £	Equipment £	Office equipment £	Property in the course of construction £	Vehicles £	Total £
Net cost or valuation:							
At 1 April 2002	18,139,961	324,756	158,821	172,467	14,493	-	18,810,498
Transfers from subsidiary undertakings	-	-	20,835	75,029	-	-	95,864
Additions	15,000	-	-	29,250	41,231	9,400	94,881
At 31 March 2003	<u>18,154,961</u>	<u>324,756</u>	<u>179,656</u>	<u>276,746</u>	<u>55,724</u>	<u>9,400</u>	<u>19,001,243</u>
Depreciation							
At 1 April 2002	-	324,756	81,773	136,271	-	-	542,800
Transfer from subsidiary undertakings	-	-	16,865	67,105	-	-	83,970
Provided in the year	-	-	12,023	30,346	-	1,371	43,740
At 31 March 2003	<u>-</u>	<u>324,756</u>	<u>110,661</u>	<u>233,722</u>	<u>-</u>	<u>1,371</u>	<u>670,510</u>
Net book amount at 31 March 2003	<u>18,154,961</u>	<u>-</u>	<u>68,995</u>	<u>43,024</u>	<u>55,724</u>	<u>8,029</u>	<u>18,330,733</u>
Net book amount at 31 March 2002	<u>18,139,961</u>	<u>-</u>	<u>77,048</u>	<u>36,196</u>	<u>14,493</u>	<u>-</u>	<u>18,267,698</u>

The net book value of land and buildings comprises:

	2003 £	2002 £
Investment properties at valuation	<u>18,154,961</u>	<u>18,139,961</u>
The historical cost is as follows:		
Costs incurred	14,191,301	14,176,301
Less: grants and donations receivable	<u>(6,238,624)</u>	<u>(6,238,624)</u>
	<u>7,952,677</u>	<u>7,937,677</u>

A valuation was carried out for the Council of Management by Dalton Warner Davis on certain of the company's completed commercial investment properties as at 31 March 2001. This valuation totalled £15,895,000 and was reduced by the sum of £180,000 to allow for the cost of installing ticketing equipment in the Site B car park during the year to 31 March 2002 and the cost of the two shop units on Site B.

Included within freehold land and buildings is a pool of investment properties which have not been professionally revalued within the last 5 years as is required by Statement of Standard Accounting Practice No 19. The Members of the Council of Management ('the directors') consider that a professional valuation would not be beneficial until negotiations concerning the company's interest in these properties are concluded. The directors consider that the current value of these properties is not less than their carrying value within the balance sheet. The directors consider the carrying value of these properties within the balance sheet to be not materially different to their valuation on an existing use basis.

The properties therefore continue to be carried in these financial statements as at the 1995 valuation. These properties will be professionally revalued once the company's long term interest has been clarified.

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### 8 INVESTMENTS

	Investments in subsidiaries £	Total £
Cost of investment in subsidiaries at 1 April 2002 and 31 March 2003	<u>4</u>	<u>4</u>

The company's interests in its subsidiaries were:

Name of company	Country of incorporation £	Share holdings £	Proportion held £	Nature of business £
Coin Street Community Services Limited	England and Wales	Ordinary	100%	Dormant
South Bank Management Services Limited	England and Wales	Ordinary	100%	Dormant

On 1 April 2002 the assets and liabilities of the company's subsidiary South Bank Management Services Limited were transferred to the company at book value. The assets and liabilities transferred were:

	£
<b>Fixed assets</b>	
Tangible assets	<u>11,894</u>
<b>Current assets</b>	
Debtors	271,991
Cash at bank and in hand	<u>1,030</u>
	<u>273,021</u>
<b>Creditors: amounts falling due within one year</b>	<u>(228,024)</u>
<b>Net current assets</b>	<u>44,997</u>
<b>Total assets less current liabilities</b>	56,891
<b>Provisions for liabilities and charges</b>	
Deferred tax	<u>(126)</u>
	<u>56,765</u>

**COIN STREET COMMUNITY BUILDERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 MARCH 2003

**9 DEBTORS**

	2003 £	2002 £
Trade debtors	640,794	565,580
Other debtors	25,282	85,676
Prepayments and accrued income	205,358	227,385
	<u>871,434</u>	<u>878,641</u>

**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2003 £	2002 £
Current instalments due on loans	274,237	285,000
Bank overdraft	39,308	-
Trade creditors	368,637	947,103
Amounts owed to group undertakings	2	197,085
Other taxation and social security	99,356	103,882
Other creditors	57,013	52,338
Accruals and deferred income	710,191	735,764
Payments on account	128,960	-
	<u>1,677,704</u>	<u>2,321,172</u>

**11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2003 £	2002 £
Bank loans	9,054,218	9,020,336
Deferred income	57,777	58,434
	<u>9,111,995</u>	<u>9,078,770</u>

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### 12 LOANS

	2003 £	2002 £
Amounts repayable by instalments:		
Not wholly repayable within five years	<u>9,328,455</u>	<u>9,305,336</u>
Amounts repayable:		
In one year or on demand	274,237	285,000
Between one and two years	291,569	285,000
Between two and five years	958,073	950,000
	<u>1,523,879</u>	<u>1,520,000</u>
In five years or more	<u>7,804,576</u>	<u>7,785,336</u>
	<u>9,328,455</u>	<u>9,305,336</u>

Amounts not wholly repayable within five years are secured by:

- first legal charges over the freeholds of OXO Tower Wharf, 89 Upper Ground and the Car Park Development, Site B, Upper Ground.
- short form debenture over the assets of the company
- and the assignment of rental income from OXO Tower Wharf, 89 Upper Ground and Gabriel's Wharf

Loans included a development loan to finance the car park and housing development on Site B with a balance at 31 March 2001 £7,650,702 and a facility limit of £8 million. The final payment under the housing contract of £3,869,825 was made during the year to 31 March 2002 and was applied to reduce the loan. The balance of the loan was then converted to a long term repayment loan with a facility limit of £6 million.

Two further loans were secured during the year to 31 March 2002 for £2,800,000 and £1,000,000. All loans are held with Nationwide Building Society and are repayable over 20 years and interest is charged at the variable rate.

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### 13 PROVISIONS FOR LIABILITIES AND CHARGES

#### Deferred taxation

The movements in deferred taxation during the current and previous years are as follows:

	2003 £	2002 £
At 1 April 2002	-	-
Transferred from subsidiary	126	-
At 31 March 2003	126	-

Deferred taxation arises from capital allowances in advance of depreciation. There is no unprovided deferred taxation.

#### Sinking fund

	2003 £	2002 £
At 1 April 2002	-	49,900
Increase/(release) of provision	25,000	(49,900)
At 31 March 2003	25,000	-

The company is contractually bound to maintain certain areas of the river wall. As works were carried out at nil cost in 2002 to the company the Council of Mangement considered that the sinking fund provision was no longer required. However, it has since emerged that a £25,000 contribution to Stamford Wharf Trust will be required for this purpose and will be paid post year end.

	2003 £	2002 £
Total provision for liabilities and charges	25,126	-

### 14 SHARE CAPITAL

The company is limited by guarantee and does not have a share capital. In the event of the company being wound up, each member has agreed to contribute £1.

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### 15 RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 April 2002	10,550,056	(2,440,163)
Profit for the year	-	457,449
At 31 March 2003	<u>10,550,056</u>	<u>(1,982,714)</u>

### 16 CAPITAL COMMITMENTS

There were no capital commitments at 31 March 2003 or 31 March 2002.

### 17 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2003 or 31 March 2002.

### 18 NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2003 £	2002 £
Operating profit	994,277	623,128
Provision for deferred tax	126	-
Net depreciation	31,846	58,686
Loss on sale of tangible fixed assets	-	39,782
Decrease in debtors	7,207	2,389,665
(Decrease)/increase in creditors	(673,456)	137,729
Increase in provisions	25,000	-
Net cash inflow from operating activities	<u>385,000</u>	<u>3,248,990</u>

### 19 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2003 £	2002 £
(Decrease)/increase in cash in the year	(222,804)	518,816
Cash (outflow)/inflow from financing	(23,119)	1,808,728
Net debt at 1 April 2002	<u>(8,941,844)</u>	<u>(11,269,388)</u>
Net debt at 31 March 2003	<u>9,187,767</u>	<u>(8,941,844)</u>

# COIN STREET COMMUNITY BUILDERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2003

### 20 ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2002 £	Cash flow £	At 31 March 2003 £
Cash in hand and at bank	363,492	(183,496)	179,996
Overdraft	-	(39,308)	(39,308)
	<u>363,492</u>	<u>(222,804)</u>	<u>140,688</u>
Debt due in the year	(285,000)	10,763	(274,237)
Debt due greater than one year	(9,020,336)	(33,882)	(9,054,218)
	<u>(8,941,844)</u>	<u>(245,923)</u>	<u>(9,187,767)</u>

### 21 OTHER FINANCIAL COMMITMENTS

Annual commitments under non-cancellable operating leases for computer equipment at 31 March 2003 are set out below:

	2003 £	2002 £
Operating leases which expire:		
Between one and five years	<u>-</u>	<u>8,960</u>

### 22 TRANSACTIONS WITH RELATED PARTIES

The following entities were considered by the Council of Management to be parties related to Coin Street Community Builders Limited (CSCB) in the year under consideration.

#### South Bank Management Services Limited

South Bank Management Services Limited (SBMS) is a wholly-owned subsidiary of CSCB.

Until 1 April 2002, SBMS managed Oxo Tower Wharf, Bernie Spain Gardens and the River frontage on behalf of CSCB. This included collecting rents and service charges from tenants, overseeing the day-to-day running of the sites and exploiting any commercial opportunities which arise, SBMS also managed the publicity and communications aspects of the group's activities. SBMS received a management fee for this.

CSCB performed a number of routine administrative tasks for SBMS e.g. paying salaries, undertaking finance and company secretarial functions on behalf of SBMS.

On 1 April 2002 all the business, assets and liabilities of SBMS were transferred to Coin Street Community Builders Limited (see note 9.)

The total management charges in the year were £nil (2002: £294,000). At 31 March 2003 a balance of £2 was due to SBMS (2002: £197,085 due from).

The Council of Management is common to both SBMS and CSCB.

# **COIN STREET COMMUNITY BUILDERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 MARCH 2003

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### **TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

#### **Coin Street Secondary Housing Co-operative Limited**

Coin Street Secondary Housing Co-operative Limited (CSSHCL) is a Registered Social Landlord. The company keeps the financial records, carries out seconding housing management and consultancy services for CSSHCL and makes charges for these services.

At the year end £9,604 was due to the company from CSSHCL (2002: £4,089).

#### **Stamford Wharf Trust Limited**

The Stamford Wharf Trust Limited (Trust) is a registered charity and company.

The company carried out secretarial duties without charge. The value of these services is not considered to be significant.

I J Tuckett is a trustee of the Trust.

At the 31 March 2003 £nil was due from the company to Stamford Wharf Trust Limited (2002: £37,337).