

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**REPORT OF THE DIRECTORS AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2003**



**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

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for the Year Ended 31 March 2003**

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**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**COMPANY INFORMATION  
for the Year Ended 31 March 2003**

**DIRECTORS:**

Lord P R C Smith  
A B Coyle O.B.E., J.P., D.L.  
J B Baldwin  
A P Hardy  
J E Hilton J.P.  
M P Honor  
S M Jones  
T Sherratt  
F B Walker  
DT Molyneux  
Dr D J Smith  
A Stephenson

**SECRETARY:**

A P Hardy

**REGISTERED OFFICE:**

Wigan Investment Centre  
Waterside Drive  
Wigan  
Lancashire  
WN3 5BA

**REGISTERED NUMBER:**

1486410 (England and Wales)

**AUDITORS:**

Fairhurst  
Registered Auditors  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
WN1 2TB

**BANKERS:**

The Co-operative Bank plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**CHAIRMAN'S STATEMENT  
for the Year Ended 31 March 2003**

Once again at the end of a financial year, Wigan Metropolitan Development Company is able to look back at another year of effective performance against a background of economic uncertainty. Notwithstanding these uncertainties the Company has again proved to be an adaptable instrument, which has been able to respond to new challenges in a changing environment.

During a year of continuity activity, budget and performance targets were achieved with a profit level of £56k on normal trading activities. This was a very respectable financial result. An audit adjustment to the Property Company released sinking fund receipts, which brought the pre-tax profit to £77k (£61k after tax).

Our property investment and management activities have produced another good performance with income up again by 17% and an average of 95% occupancy over the year. Property investment and management have proved to be the niches, which have enabled us to produce results, which have been of real benefit to the local economy and to the community. Since 1980 the Company has invested over £8.24m in 312,334 square feet (29,027m<sup>2</sup>) of industrial units, small factories and managed workspace plus more than £1.6m to fund small businesses. Through our various activities we can claim to have directly or indirectly created, safeguarded or accommodated more than 3,600 jobs, which are still in existence.

The large programme of investments we have completed during the past three years in Atherton, Leigh and Wigan required the use of all our financial reserves. However, these investments are now beginning to produce substantial income streams, which should enable us to again develop profits for further investments in job creating activities.

We have continued to provide property management services to Douglas Valley Properties Limited, with an annual level of occupancy of their premises of over 95%. This has enabled some £330k to be covenanted to Douglas Valley Community Limited to support community projects throughout the whole of the Borough.

In conclusion, I wish to express my thanks for the support of my colleagues on the Board of Directors and to all the staff for their work, which has enabled the Development Company to continue to support the local economy. I also wish to express my appreciation for the continued support of the Co-operative Bank plc.



**LORD SMITH OF LEIGH  
CHAIRMAN**

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**REPORT OF THE DIRECTORS  
for the Year Ended 31 March 2003**

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

**PRINCIPAL ACTIVITIES**

The principal activities of the company in the year under review were those of investment in industry and the construction of industrial premises.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2003.

**DIRECTORS**

The directors during the year under review were:

Lord P R C Smith

A B Coyle O.B.E., J.P., D.L.

J B Baldwin

A P Hardy

J E Hilton J.P.

M P Honor

S M Jones

T Sherratt

B J Strett

- resigned 25/11/2002

F B Walker

DT Molyneux

Dr D J Smith

A Stephenson

- appointed 12/3/2003

**EMPLOYEES AND ADMINISTRATION**

The total number of permanent employees is eighteen. Of those numbers eleven are employed in connection with the management and administration of the Hindley Business Centre. A further person with Acorn Business Centre in respect of the management and administration.

The activities of the Group are still being carried out with the support of the appropriate professional or administrative services of Council staff. The cost of these services is reimbursed to the Council by the Company.

**FINANCIAL POLICIES**

The general policy of the Board is to invest in firms with a view to producing a commercial return, which will be available for further investment. Investment projects are appraised on the basis of their soundness and viability. Investments in the construction or adaptation of industrial premises are normally financed out of borrowings. The Group's liquid funds are invested in the money market and short-term loans in order to maximise income.

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**REPORT OF THE DIRECTORS  
for the Year Ended 31 March 2003**

**STATEMENT OF 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

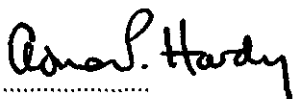
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

**AUDITORS**

The auditors, Fairhurst, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**



.....  
A P Hardy - SECRETARY

Dated: 10/11/03

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

We have audited the financial statements of Wigan Metropolitan Development Company Limited Consolidated for the year ended 31 March 2003 on pages six to nineteen. These financial statements have been prepared under the historical cost convention and 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**

As described on page three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 Report of the Directors 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 with the company is not disclosed.

We read the Report of the Directors 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 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.

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**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.

*Fairhurst*

Fairhurst  
Registered Auditors  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
WN1 2TB

Dated: 13 November 2003



**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**PROFIT AND LOSS ACCOUNT  
for the Year Ended 31 March 2003**

		<u>2003</u>	<u>2002</u>
	Notes	£	£
<b>TURNOVER</b>		-	-
Administrative expenses		<u>539,957</u>	<u>506,536</u>
		(539,957)	(506,536)
Other operating income	2	<u>667,570</u>	<u>544,668</u>
<b>OPERATING PROFIT</b>	4	127,613	38,132
Interest payable and similar charges	5	<u>50,535</u>	<u>65,062</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		77,078	(26,930)
Tax on profit/(loss) on ordinary activities	6	<u>12,716</u>	<u>33,694</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>		64,362	(60,624)
Retained profit brought forward		<u>1,168,379</u>	<u>1,229,003</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u><u>£1,232,741</u></u>	<u><u>£1,168,379</u></u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

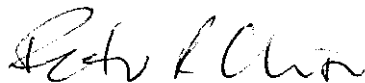
The notes form part of these financial statements

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**BALANCE SHEET  
31 March 2003**

		2003		2002	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	8		6,212,953		6,348,837
Investments	9		<u>-</u>		<u>-</u>
			6,212,953		6,348,837
<b>CURRENT ASSETS:</b>					
Debtors	10	340,353		253,834	
Investments	11	336,088		203,001	
Cash at bank and in hand		<u>99,914</u>		<u>184,365</u>	
		776,355		641,200	
<b>CREDITORS:</b> Amounts falling due within one year	12	<u>830,029</u>		<u>893,464</u>	
<b>NET CURRENT LIABILITIES:</b>			<u>(53,674)</u>		<u>(252,264)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			6,159,279		6,096,573
<b>CREDITORS:</b> Amounts falling due after more than one year	13		(2,878,073)		(2,897,194)
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	17		<u>(48,465)</u>		<u>(31,000)</u>
			<u>£3,232,741</u>		<u>£3,168,379</u>
<b>RESERVES:</b>					
Development Fund	18		2,000,000		2,000,000
Profit and loss account			<u>1,232,741</u>		<u>1,168,379</u>
	20		<u>£3,232,741</u>		<u>£3,168,379</u>

**ON BEHALF OF THE BOARD:**

  
Lord P R C Smith - DIRECTOR

  
A P Hardy - DIRECTOR

Approved by the Board on 17<sup>th</sup> September 2003

The notes form part of these financial statements

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**CASH FLOW STATEMENT  
for the Year Ended 31 March 2003**

		2003		2002	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		101,524		329,244
Returns on investments and servicing of finance	2		(50,535)		(65,062)
Taxation			(28,945)		5,881
Capital expenditure and financial investment	2		<u>(11,925)</u>		<u>(828,216)</u>
			10,119		(558,153)
Management of liquid resources	2		(133,087)		555,600
Financing	2		<u>38,517</u>		<u>196,796</u>
(Decrease)/Increase in cash in the period			<u>£(84,451)</u>		<u>£194,243</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/Increase in cash in the period			(84,451)		194,243
Cash outflow/(inflow) from increase/(decrease) in liquid resources			133,087		(555,600)
Cash outflow from decrease in debt			<u>244,448</u>		<u>-</u>
Change in net debt resulting from cash flows			<u>293,084</u>		<u>(361,357)</u>
Movement in net debt in the period			293,084		(361,357)
Net debt at 1 April			<u>(712,634)</u>		<u>(351,277)</u>
Net debt at 31 March			<u>£(419,550)</u>		<u>£(712,634)</u>

The notes form part of these financial statements

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE CASH FLOW STATEMENT  
for the Year Ended 31 March 2003**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2003 £	2002 £
Operating profit	127,613	38,132
Depreciation charges	147,809	137,757
Government grants	(51,979)	(46,320)
(Increase)/Decrease in debtors	(86,518)	399,323
Decrease in creditors	<u>(35,401)</u>	<u>(199,648)</u>
<b>Net cash inflow from operating activities</b>	<u><u>101,524</u></u>	<u><u>329,244</u></u>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2003 £	2002 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	<u>(50,535)</u>	<u>(65,062)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u><u>(50,535)</u></u>	<u><u>(65,062)</u></u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(11,925)	(842,675)
Loan repayments received	<u>-</u>	<u>14,459</u>
<b>Net cash outflow for capital expenditure</b>	<u><u>(11,925)</u></u>	<u><u>(828,216)</u></u>
<b>Management of liquid resources</b>		
Change in short term deposits	<u>(133,087)</u>	<u>555,600</u>
<b>Net cash (outflow)/inflow from management of liquid resources</b>	<u><u>(133,087)</u></u>	<u><u>555,600</u></u>

The notes form part of these financial statements

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE CASH FLOW STATEMENT  
for the Year Ended 31 March 2003**

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT - continued**

	2003 £	2002 £
<b>Financing</b>		
Loan repayments in year	(244,448)	-
Grants received	<u>282,965</u>	<u>196,796</u>
Net cash inflow from financing	<u>38,517</u>	<u>196,796</u>

The notes form part of these financial statements

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE CASH FLOW STATEMENT  
for the Year Ended 31 March 2003**

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1/4/02 £	Cash flow £	At 31/3/03 £
Net cash:			
Cash at bank and in hand	<u>184,365</u>	<u>(84,451)</u>	<u>99,914</u>
	<u>184,365</u>	<u>(84,451)</u>	<u>99,914</u>
Liquid resources:			
Current asset investments	<u>203,001</u>	<u>133,087</u>	<u>336,088</u>
	<u>203,001</u>	<u>133,087</u>	<u>336,088</u>
Debt:			
Debts falling due within one year	(550,000)	305,552	(244,448)
Debts falling due after one year	<u>(550,000)</u>	<u>(61,104)</u>	<u>(611,104)</u>
	<u>(1,100,000)</u>	<u>244,448</u>	<u>(855,552)</u>
Total	<u>(712,634)</u>	<u>293,084</u>	<u>(419,550)</u>
<b>Analysed in Balance Sheet</b>			
Cash at bank and in hand	184,365		99,914
Current asset investments	203,001		336,088
Debts falling due within one year	(550,000)		(244,448)
Debts falling due after one year	<u>(550,000)</u>		<u>(611,104)</u>
	<u>(712,634)</u>		<u>(419,550)</u>

The notes form part of these financial statements

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2003**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Tangible fixed assets**

Depreciation is provided at the following annual rates on order to write off each asset over its estimated useful life.

Freehold buildings	- 2% on cost
Freehold land	- not depreciated
Leasehold land & buildings	- 2% on cost
Plant, machinery, fixtures & fittings	- at varying rates on cost

Unlisted investments are stated at the lower of cost and Directors' valuations.

Interests in land and buildings are stated at their purchase cost, together with any incidental costs of acquisition and subsequent development expenditure at cost. Grants received or receivable on qualifying expenditure are credited to a deferred income account and released to the Profit and Loss Account at the same rate as those used for depreciation. As a result, grants are effectively credited to revenue over the expected useful lives of the related assets.

The charge to the Profit and Loss Account in any period is the net cost after deduction of grants released as stated above.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Pension costs**

Employees of Wigan Metropolitan Development Company (Investment) Limited participate in the Greater Manchester Pension Fund, part of the Local Government Pension Scheme.

The last actuarial valuation of the Fund was carried out as at 31 March 2001 by an independent firm of qualified actuaries. The market value of the Fund's assets at valuation date was £6,261m, the actuarial value of which represented 105% of the Fund's accrued liabilities allowing for expected future increases in pay and pensions once in payment.

The net pension cost has been determined by calculating the required contribution to restore the funding level to 100% over the future service lives of active members. The next actuarial valuation will be 31 March 2004.

The scheme is a defined benefit scheme, however the company is unable to identify its share of the underlying assets and liabilities of this multi-employer scheme. The scheme is therefore treated as a defined contribution scheme for the purposes of these financial statements, the cost of the scheme is equal to the contributions payable to the scheme for the accounting period. These costs are recognised in the operating profit and loss account.

**Investments**

Unlisted investments are stated at the lower of cost and Director's valuation.

**Development fund**

The contributions to the Development Fund by the Wigan Metropolitan Borough Council are credited as capital of the Company.

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2003**

**2. OTHER OPERATING INCOME**

	2003	2002
	£	£
Net income from rents	514,335	435,521
Short term deposits	3,998	9,672
Release of sinking fund	28,945	-
Other income	68,313	53,155
Grant released	<u>51,979</u>	<u>46,320</u>
	<u>667,570</u>	<u>544,668</u>

**3. STAFF COSTS**

	2003	2002
	£	£
Wages and salaries	149,542	103,326
Other pension costs	<u>14,891</u>	<u>11,033</u>
	<u>164,433</u>	<u>114,359</u>

The average monthly number of employees during the year was as follows:

	2003	2002
Administration	6	6
Hindley Business Centre	11	11
Acorn Business Centre	<u>1</u>	<u>2</u>
	<u>18</u>	<u>19</u>

Directors' remuneration is set out in the note below

Chairman £189 (2002: £173).

Highest paid Director £189 (2002: £173).

Other Directors: all were in the range nil and £5000, and none were paid more than £189 (2002: £173).

The above cost is after recharge of employee costs to Hindley Business centre and Acorn Business Centre.

Total charge for the year is as follows:

	2003	2002
	£	£
Wages and salaries	250,026	222,028
Social security costs	17,179	14,424
Pension costs	<u>29,722</u>	<u>24,827</u>
	<u>296,927</u>	<u>261,279</u>



**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2003**

**4. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2003 £	2002 £
Other operating leases	6,408	5,141
Depreciation - owned assets	147,809	137,757
Auditors' remuneration	5,100	5,000
Grants released	(51,979)	(46,320)
Sinking fund released	<u>(28,945)</u>	<u>-</u>
 Directors' emoluments	 <u>2,499</u>	 <u>2,076</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2003 £	2002 £
Loan interest	48,731	65,062
Interest on overdue tax	<u>1,804</u>	<u>-</u>
	<u>50,535</u>	<u>65,062</u>

**6. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2003 £	2002 £
Current tax:		
UK corporation tax	-	1,099
Prior years	<u>(4,749)</u>	<u>32,595</u>
Total current tax	<u>(4,749)</u>	<u>33,694</u>
 Deferred tax:		
Deferred taxation	17,465	-
Tax on profit/(loss) on ordinary activities	<u>12,716</u>	<u>33,694</u>

UK corporation tax was charged at 14.34% in 2002.

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2003**

**7. DIRECTORS' REMUNERATION**

The emoluments of Directors were as follows:

	Year Ended 31/3/03 £	Year Ended 31/3/02 £
Fees	2,499	2,076
Management	-	-
	<u>2,499</u>	<u>2,076</u>

**8. TANGIBLE FIXED ASSETS**

	Freehold land & buildings	Leasehold land & buildings	Plant and machinery	Totals
	£	£	£	£
<b>COST:</b>				
At 1 April 2002	5,202,053	1,854,506	284,055	7,340,614
Additions	<u>11,205</u>	<u>-</u>	<u>720</u>	<u>11,925</u>
At 31 March 2003	<u>5,213,258</u>	<u>1,854,506</u>	<u>284,775</u>	<u>7,352,539</u>
<b>DEPRECIATION:</b>				
At 1 April 2002	378,039	470,476	143,262	991,777
Charge for year	<u>93,024</u>	<u>37,089</u>	<u>17,696</u>	<u>147,809</u>
At 31 March 2003	<u>471,063</u>	<u>507,565</u>	<u>160,958</u>	<u>1,139,586</u>
<b>NET BOOK VALUE:</b>				
At 31 March 2003	<u>4,742,195</u>	<u>1,346,941</u>	<u>123,817</u>	<u>6,212,953</u>
At 31 March 2002	<u>4,824,014</u>	<u>1,384,030</u>	<u>140,793</u>	<u>6,348,837</u>

**9. FIXED ASSET INVESTMENTS**

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

**Wigan Metropolitan Development Company (Investment) Limited**

Nature of business: management of investments and industrial premises

Class of shares:	%
£1 Ordinary	holding 100.00

	2003 £	2002 £
Aggregate capital and reserves	2,202,588	2,164,339
Profit/(Loss) for the year	<u>55,714</u>	<u>(34,544)</u>

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2003**

**9. FIXED ASSET INVESTMENTS - continued**

**Wigan Metropolitan Development Company (Property) Limited**

Nature of business: acquisition, development etc in land & buildings

Class of shares:	% holding
£1 Ordinary	100.00

	2003 £	2002 £
Aggregate capital and reserves	25,050	(1,065)
Profit/(Loss) for the year	<u>26,115</u>	<u>(26,033)</u>

**SHARES IN GROUP COMPANIES ONLY**

	£	£
Shares in Investment company	676,414	676,414
Shares in Property company	<u>27</u>	<u>27</u>
	<u>676,441</u>	<u>676,441</u>

**10. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2003 £	2002 £
V.A.T.	-	7,475
Trade debtors	166,996	165,812
Other debtors	164,144	61,259
Prepayments & accrued income	<u>9,213</u>	<u>19,288</u>
	<u>340,353</u>	<u>253,834</u>

**COMPANY**

	£	£
Amounts due to Group companies	<u>-</u>	<u>-</u>

**11. CURRENT ASSET INVESTMENTS**

	2003 £	2002 £
Short term deposits	<u>336,088</u>	<u>203,001</u>

Market value of listed investments at 31 March 2003 - £0 (2002 - £203,000).

**COMPANY**

	2003 £	2002 £
Loans to subsidiaries	<u>1,029,477</u>	<u>1,029,477</u>

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2003**

**12. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Bank loans and overdrafts (see note 14)	244,448	244,448
Other creditors	120,299	278,338
V.A.T.	35,456	-
Social security & other taxes	8,313	6,957
Taxation	-	33,694
Accrued expenses	<u>421,513</u>	<u>330,027</u>
	<u>830,029</u>	<u>893,464</u>

**COMPANY**

	2003 £	2002 £
Loan to group company	<u>24,375</u>	<u>24,375</u>

**13. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

	2003 £	2002 £
Bank loans (see note 14)	611,104	855,552
Deferred government grants	<u>2,266,969</u>	<u>2,041,642</u>
	<u>2,878,073</u>	<u>2,897,194</u>

**14. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	2003 £	2002 £
Amounts falling due within one year or on demand:		
Bank loans	<u>244,448</u>	<u>244,448</u>
Amounts falling due between two and five years:		
Bank loans	<u>611,104</u>	<u>855,552</u>

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
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**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2003**

**14. LOANS AND OVERDRAFTS - continued**

Term loans at between 1% and 1 1/2% above base rate payable by quarterly or annual instalments.

The loans were obtained to finance development expenditure and where appropriate are secured by mortgages on the freehold or long leasehold land and buildings.

Where funds have been drawn down in advance of the planned expenditure, these funds are re-deposited with the Bank concerned and provides the security in these cases.

**15. OBLIGATIONS UNDER LEASING AGREEMENTS**

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	2003 £	2002 £	2003 £	2002 £
Expiring:				
Within one year	-	-	9,460	-
Between one and five years	<u>25,240</u>	<u>25,240</u>	<u>5,980</u>	<u>24,900</u>
	<u>25,240</u>	<u>25,240</u>	<u>15,440</u>	<u>24,900</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	2003 £	2002 £
Bank loans	<u>855,552</u>	<u>1,100,000</u>

The land and buildings have been charged as security for loans to the Company.

**17. PROVISIONS FOR LIABILITIES AND CHARGES**

	2003 £	2002 £
Deferred taxation	<u>48,465</u>	<u>31,000</u>

**WIGAN METROPOLITAN DEVELOPMENT COMPANY  
LIMITED CONSOLIDATED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2003**

**17. PROVISIONS FOR LIABILITIES AND CHARGES - continued**

	Deferred tax £
Balance at 1 April 2002	31,000
Provided in the year	<u>17,465</u>
Balance at 31 March 2003	<u>48,465</u>

**18. DEVELOPMENT FUND**

	2003 £	2002 £
Brought forward	<u>2,000,000</u>	<u>2,000,000</u>

**19. CONTINGENT LIABILITIES**

The Company's banking arrangements are subject to an unlimited multilateral guarantee entered into by Wigan Metropolitan Development Company Limited, Wigan Metropolitan Development Company (Investment) Limited, and Wigan Metropolitan Development Company (Property) Limited to secure any borrowings by any of these companies.

**20. RECONCILIATION OF MOVEMENTS IN RESERVES**

	2003 £	2002 £
Profit/(Loss) for the financial year	<u>64,362</u>	<u>(60,624)</u>
Net addition/(reduction) to reserves	64,362	(60,624)
Opening reserves	<u>3,168,379</u>	<u>3,229,003</u>
Closing reserves	<u>3,232,741</u>	<u>3,168,379</u>

**21. DEVELOPMENT FUND**

The initial funding of the Company was provided by Wigan Metropolitan Borough Council, who made contributions to the Company's Development Fund totalling £2 million. The payments are subject to the provisions of a funding agreement entered into between the Company and the Council. In the event of it's winding up or dissolution the Company is required to repay the funding to the Council to the extent that resources are available or otherwise transfer it to some other institution or body as the Council may direct. The funding is consequently shown in the Company's accounts as capital.

**22. GUARANTEE**

The Company is a Company limited by guarantee. The main board of twelve members have each, in the event of a winding up undertaken to contribute an amount not exceeding £1.