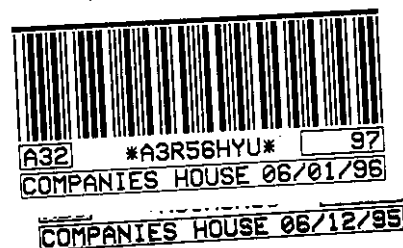


1496680

THE  
CANWELL ESTATE  
COMPANY LTD

Registered in England No 1496680

REPORT AND ACCOUNTS  
FOR THE YEAR ENDED  
31st MARCH 1995



## THE CANWELL ESTATE COMPANY LIMITED

### DIRECTORS' REPORT

The Directors submit their report and accounts for the year ended 31 March 1995.

#### 1.0 The Company:

1.1 The Canwell Estate Company Limited, established in 1980, is a company limited by guarantee and has no share capital. By virtue of the West Midlands Residuary Body (Winding Up) Order 1991 (the Winding Up order), the administration of the affairs of the company was vested with the Lichfield District Council (LDC) from 1 April 1991.

1.2 The Company is responsible for the maintenance, repair and replacement of common services on the estate including private roads and sewerage treatment plants. The Company administers the services and recovers the total annual costs from the owners of the property which are subject to an estate rent charge based upon percentage allocations of the total net cost to the Company in any one year. Other properties, mainly dwelling houses, also receive services from the Company but the owners of these are not entitled to membership and are charged as consumers, so reducing the overall cost to the Company's members.

1.3 The Directors of the Company who served throughout the year were as follows:

Mr C McEwan (Chairman); Mr P J H Packwood; Mr G L Shaw; Mr R F Ainsworth;  
Mr J M Griffin; Mr J Price.

The appointment of New Directors from the 1 April 1994 left one vacancy of Ordinary Director to be filled by the Board in accordance with Article 49. At their meeting on the 5 April 1994 the Board resolved to appoint Mr N Fairley to serve as Ordinary Director until the Annual General Meeting on the 25 January 1995 when he was re-elected for a further term.

Messrs Packwood and Shaw retired at the Annual General Meeting on the 25 January 1995 and were both reappointed for a further term.

1.4 Meetings of the Board of Directors were held on 5 April 1994, 8 June 1994, 5 October 1994, 8 December 1994 and 9 March 1995.

1.5 In order to improve the information provided to members on the working of the Company a circular to all members was issued in December 1994 and March 1995.

1.6 The total cost of the services provided in the year totalled £50,287.00, which was mainly funded from service charges levied.

## **2.0 Estate Sewerage System:**

**2.1** Following successful completion of the Group 1 and Group 2 works a tender was prepared for Group 3 works funded from residual monies remaining in the endowment fund vested with Lichfield District Council. The works related to:-

1. Replacement of the treatment plant at Holding 115.
2. Reconstruction of the Bangley drain in Waggoner's Lane.
3. Reconstruction of the southern outfall sewer and parts of the northern outfall sewer at Slade Road.
4. Miscellaneous small works for safeguarding against foul water pollution.

Works costing in the order of £45,000 were carried out under the direction of LDC during the summer of 1994 and were substantially completed by October of that year. The works presently remain the subject of a 12 month contractual maintenance period and the future maintenance will then pass to the Company.

**2.2** The total value of capital works completed under the three contracts is £1,511,463. This expenditure has been met entirely from the endowment fund and accrued interest thereon. The works have enabled the Company to divert itself from the estate water supply and benefit from new and improved sewerage facilities. It should be noted that none of the cost of the capital works has fallen to the membership who may otherwise have had to meet the funding of the schemes.

## **3.0 Estate Roads:**

**3.1** Messrs Edmond Nuttall Limited (formerly Staffordshire Highway Works) were instructed to carry out patching, ditching and road strengthening works to parts of Bangley Lane in the sum of £4,017 (excluding VAT). Initial works were carried out during June and completed by September 1994.

**3.2** Arising out of works undertaken by British Gas, negotiations took place with them regarding the level of outstanding reinstatement on Bangley Lane. The works were subsequently completed as part of the Group 3 Works paid for from the endowment fund.

## **4.0 Birmingham Northern Relief Road:**

**4.1** The Board considered a number of objectors alternative routes over the preferred route published by the Secretary of State for Transport and representation was made on behalf of the Membership to ensure that the Company's position is safeguarded and to seek to reduce the environmental impact on the Estate.

## **5.0 Service Charges:**

**5.1** At the Annual General Meeting held on the 25 January 1995 representations were made by several members regarding the level of Service Charge and the position of members who may not now be receiving direct services from the Company.

- 5.2 These matters were considered by the Board at their meeting on the 9 March 1995. The Directors are mindful of the present position and the need to balance the wish of certain members to be released from the scheme of charge against the level of service charge to be paid by those members who remain within the scheme. The Board received one application to release property from the scheme of charge, the application was considered on its merits but did not fall within the strict criteria where the Board may use their discretion to release a member from the scheme of charge.
- 5.3 At the meeting on 9 March 1995 the Board resolved to increase by 50% the charge levied on non-members for use of the estate roads and reduce the service charge to members by 12.75%.
- 6.0 **Conclusion:**
- 6.1 Following the withdrawal of Lichfield District Council as a member of the Company and the resignation of the four Special Directors the Company has from the 1 April 1994 been administered by a Board elected from the membership. The Board have sought to manage the Company in accordance with the Articles of Association and with regard to the representations made to them by the membership. The Board remain committed to reducing the service charge to a level to provide for the efficient running of the services and a reserve fund to deal with large scale repairs and long term replacement of services.
- 6.2 The Directors wish to acknowledge the help and assistance afforded to the Company by members and officers of LDC who facilitated the transfer of administration from the Council to the Managing Agents appointed by the Company. LDC have further ensured that the endowment monies vested with the Council have been properly spent to the benefit of the estate.

BY ORDER OF THE BOARD

C McEwan - Chairman



C P Meynell - Company Secretary

1 Lichfield Street  
Burton upon Trent  
Staffordshire  
DE14 3QZ

**The Canwell Estate Company Limited**

**Financial Statements  
for the Year Ended 31 March 1995**

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
The Canwell Estate Company Ltd**

We have audited the financial statements which have been prepared under the historical cost convention and the accounting policies set out in the notes to the accounts.

**Respective responsibilities of directors and auditors**

The company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

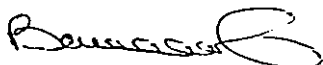
**Basis of Opinion**

We conducted our audit in accordance with the 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 judgments 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.

**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 1995 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Bourne & Co.  
Registered Auditors &  
Chartered Accountants  
6 Lichfield Street  
Burton on Trent  
Staffs.  
DE14 3RD.

Dated: 13.9.95

## Profit and Loss Account

Income	Year Ended 31.3.1995		Year Ended 31.3.1994	
	£	£	£	£
Quarterly Service Charge	43416		39489	
Sewerage Charges	5660		4799	
Roads	1200		1300	
Wayleave	5		5	
Other	6		7278	
	-----	50287	-----	52871
<b>Less Expenditure:</b>				
Business Rates	(84)		2019	
National Rivers Authority	583		1063	
Insurance	729		707	
<b>Maintenance</b>				
(a) Sewerage	10192		1149	
(b) Roads				
General	4147		17972	
Provision for Future Maintenance	12000		3000	
Site Maintenance	-		116	
Electricity	1199		1535	
Telephone	(43)		452	
Stationery	47		521	
Court Fees	-		440	
Annual Return	18		32	
Trade Refuse	(50)		87	
External Audit Fees	500		500	
Professional Fees	-		642	
Legal Fees	1166		600	
Management Charges	10500		14315	
Provision for bad debts	4317		8000	
Bank Charges	52		-	
Sundries	76		410	
Depreciation - F & F	64		84	
	-----	45413	-----	53644
Operating Profit/(Loss)		4874		(773)
Bank Interest Receivable		259		275
		-----		-----
Profit/(Loss) on Ordinary Activities before Taxation		5133		(498)
Corporation Tax at 25%		3862		971
		-----		-----
Profit/(Loss) for the Financial Year after Taxation		1271		(1469)
Retained Profit brought forward		11175		11576
Prior Year Adjustment		-		1068
		-----		-----
Retained Profit carried forward		£12446		£11175
		=====		=====

The notes form part of these financial statements

Profit and Loss Account

Continuing Operations

None of the company's activities were acquired or discontinued during the current year or previous period.

Total Recognised Gains and Losses

The company has no recognised gains or losses other than the profits for the current year or previous period.

The notes form part of these financial statements



## Balance Sheet

		At 31.3.1995		At 31.3.1994
		£	£	£
<b>Fixed Assets</b>				
Infrastructure	1	-	1	1
Fixtures and Fittings	602	411	191	255
	---	---	---	---
	603	411	192	256
	===	===		
<b>Current Assets</b>				
Debtors		38658		25552
Less Provision for doubtful debts		1142		3981
		-----		-----
		37516		21571
Prepayment		766		2066
Bank Deposit Account		12422		13460
		-----		-----
		£50704		£37097
		=====		=====
<b>Creditors: Amounts Falling Due within one year</b>				
Bank Current Account	100		100	
Less: Cheques not presented	4838		5189	
	----		----	
		4738		5089
Accruals		1850		4118
Corporation Tax		3862		971
Provisions for Road Maintenance		28000		16000
		-----		-----
		£38450		£26178
		=====		=====
<b>Net Current Assets</b>		12254		10919
		-----		-----
<b>Total Assets less Current Liabilities</b>		£12446		£11175
		=====		=====
<b>Capital and Reserves</b>				
Profit and Loss Account		£12446		£11175
		=====		=====

In preparing these financial statements the directors have taken advantage of special exemptions applicable to small companies conferred by Part 1 of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

Director

C McEwan - Chairman

Approved by the Board on 7/9/95.

The notes form part of these financial statements

## Notes to the Financial Statements

## ACCOUNTING POLICIES

## Accounting Convention

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

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

## Turnover

The turnover and profit/(loss) before taxation are attributable to the principal activity of the company. All activities were performed in the United Kingdom.

## Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off the asset over its estimated useful life:-

Fixtures and Fittings - 25% on reducing balance

## Deferred Taxation

Provision is not made for deferred taxation.

## RECONCILIATION OF MOVEMENTS IN RESERVES

	31.03.95	31.03.94
Profit/(loss) for the Financial Year	1271	(1469)
Prior Year Adjustment	-	1068
	-----	-----
Net addition to/(depletion from) Reserves	1271	(401)
Opening Reserves	11175	11576
	-----	-----
Closing Reserves	£12446	£11175
	=====	=====

## LIABILITY OF MEMBERS

The liability of each member under his or her guarantee does not exceed £1. The guarantee remains in force for one year after cessation of his or her membership of the company.

The number of members at 31 March 1995 is 52 (31 March 1994 : 52).