

# “JOHNNIE” JOHNSON DEVELOPMENTS

**Report and Financial Statements**  
**For the year ended 31st March 2011**



**Contents**

<b>Section</b>	<b>Page</b>
Board of Directors, Advisors and Bankers	1
Report of the Board	2
Board of Directors Responsibilities	4
Independent Auditor's Report to the Members of "Johnnie" Johnson Developments Limited	5
Profit and Loss Account	6
Reconciliation of Movements in Funds	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Financial Statements	10

## **Board of Directors, Advisors and Bankers**

### **Board of Directors**

Mark Thomas  
Les Baker  
David Evans  
Jim Lunney

### **Registered Office**

Astra House  
Spinners Lane  
Poynton  
Cheshire  
SK12 1GA

### **Registered Number**

Registered Company No 03895031

VAT Registration No 732490637

### **Auditors**

PKF (UK) LLP  
5 Temple Square  
Temple Street  
Liverpool  
L2 5RH

### **Solicitors**

Trowers & Hamblins  
Heron House  
Albert Square  
Manchester  
M2 5HD

### **Bankers**

National Westminster Bank Plc  
Royal Bank Scotland  
Bankside 3  
90 – 100 Southwark Street  
London  
SE1 0SW

## **Report of the Board**

The Board of Directors presents its Report and the Audited Financial Statements for the year ended 31st March 2011

### **Legal Status**

"Johnnie" Johnson Developments Limited is registered at Companies House and is a wholly owned subsidiary of "Johnnie" Johnson Housing Trust Ltd. The Company was incorporated on 21<sup>st</sup> January 2000 and began trading on 1<sup>st</sup> April 2000.

### **Principal Activities**

The Company provides housing development services.

### **Review of the Year**

During the year the Company undertook a number of projects for "Johnnie" Johnson Housing Trust with a turnover of £5,373,687 and anticipates further projects in 2011/12.

### **Future Developments**

The Company will continue to provide development services for "Johnnie" Johnson Housing Trust Ltd where it is appropriate to do so.

### **Employees**

Details of employees and costs are set out in note 5.

### **Charitable Donations**

The Company has provided for a Gift Aid payment of £263,578 to "Johnnie" Johnson Housing Trust Ltd.

### **The Board of Directors**

The Board of Directors is listed on page 1.

### **Board Meetings**

The Board of Directors met in formal session once in 2010/11.

### **Website**

The Annual Report and Accounts are available on the "Johnnie" Johnson Housing website. The maintenance and integrity of the website is the responsibility of the Board, the work carried out by the Auditors does not involve consideration of these matters and, accordingly, the Auditors accept no responsibility for any changes that may have occurred to the information contained in the financial statements since they were initially presented on the website.

### **Auditors**

PKF (UK) LLP were first appointed as auditors to the Company in 2007.

## **Report of the Board (continued)**

### **Disclosure of Information to Auditors**

At the date of making this report each of the Company's directors, as set out on page 1, confirm the following

- so far as each director is aware, there is no relevant information needed by the Company's auditors in connection with preparing their report of which the Company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information



**JIM LUNNEY**  
**Secretary**

## **Board of Directors Responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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

## Independent Auditor's Report to the Members of "Johnnie" Johnson Developments Limited

We have audited the financial statements of "Johnnie" Johnson Developments Limited for the year ended 31 March 2011 which comprise the profit and loss account, the reconciliation of movements in funds, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 directors and auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

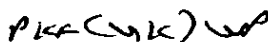
### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Brian Ricketts (Senior statutory auditor)  
for and on behalf of PKF (UK) LLP, Statutory auditor

Liverpool, UK

2 August 2011

## **Profit and Loss Account**

**For the year ended 31 March 2011**

	<b>Note</b>	<b>2011 £ '000</b>	<b>2010 £ '000</b>
<b>Turnover continuing activities</b>	3	5,374	2,242
<b>Operating costs</b>	3	(5,374)	(2,242)
<b>Operating profit continuing activities</b>	3	-	-
<b>Tax on profit on ordinary activities</b>	7	-	-
<b>Profit for the financial year</b>		-	-

**The notes on pages 10 to 14 form part of these financial statements**

**Historical cost profits and losses were identical to those shown in the profit and loss account**

**There are no recognised gains or losses except as reported above.**



## Reconciliation of Movements in Funds

For the year ended 31 March 2011

	2011 £ '000	2010 £ '000
Opening total funds	-	-
Total recognised profit relating to the year	-	-
	<hr/>	<hr/>
Closing total funds	-	-
	<hr/> <hr/>	<hr/> <hr/>

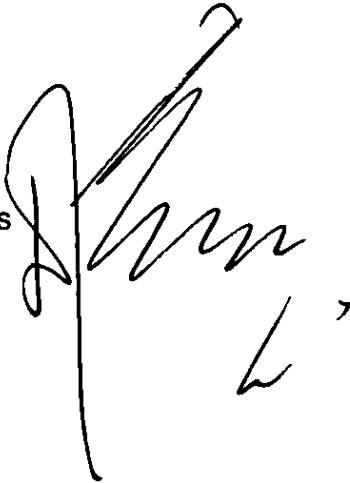
## Balance Sheet

As at 31 March 2011

	Note	2011 £ '000	2010 £ '000
<b>Current assets</b>			
Debtors	8	442	228
		<hr/>	<hr/>
		442	228
<b>Creditors</b> Amounts falling due within one year	9	(442)	(228)
		<hr/>	<hr/>
<b>Net current assets</b>		-	-
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		-	-
		<hr/> <hr/>	<hr/> <hr/>
<b>Capital and reserves</b>			
Non-equity share capital		-	-
Revenue reserve		-	-
		<hr/>	<hr/>
		-	-
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were authorised and approved by the Board on 19<sup>th</sup> July 2011 and signed on its behalf by

DAVID EVANS  
Chair



JIM LUNNEY  
Secretary



## **Cash Flow Statement**

**For the year ended 31 March 2011**

	<b>Note</b>	<b>2011 £ '000</b>	<b>2010 £ '000</b>
<b>Net cash (outflow) from operating activities</b>	13	(135)	-
<b>Returns on investments and servicing of finance</b>		-	-
<b>Taxation paid</b>		-	-
<b>Capital expenditure</b>		-	-
<b>Management of liquid resources</b>		-	-
<b>Financing</b>		-	-
<b>Decrease in cash</b>	14	<u>(135)</u>	<u>-</u>

## **Notes to the Financial Statements**

### **1. Legal Status**

The Company is registered under the Companies Act 2006

### **2. Accounting Policies**

The Financial Statements have been prepared in accordance with applicable Accounting Standards and Financial Reporting Standards in the United Kingdom. A summary of the more important accounting policies is set out below

#### **Basis of Accounting**

The Financial Statements are prepared on the historical cost convention basis in accordance with the requirements of the Companies Act 2006

#### **Turnover**

Turnover represents development activity income on contracts received from "Johnnie" Johnson Housing Trust Limited

#### **Group Structure**

"Johnnie" Johnson Developments Limited forms part of a group controlled by "Johnnie" Johnson Housing Trust Limited

## Notes to the Financial Statements

### 3. Turnover, Cost of Sales, Operating Costs and Operating Profit Continuing Activities

	2011		Operating profit £ '000
	Turnover £ '000	Operating costs £ '000	
Development services	5,374	(5,110)	264
Other – Gift Aid payment	-	(264)	(264)
<b>Total</b>	<b>5,374</b>	<b>(5,374)</b>	<b>-</b>

	2010		Operating profit £ '000
	Turnover £ '000	Operating costs £ '000	
Development services	2,242	(2,144)	98
Other – Gift Aid payment	-	(98)	(98)
<b>Total</b>	<b>2,242</b>	<b>(2,242)</b>	<b>-</b>

### 4. Operating Profit

This is arrived at after charging/(crediting)

	2011 £ '000	2010 £ '000
Auditors' remuneration (including VAT)		
- for audit services	1	1
- for non-audit service	-	-
Gift Aid Payment to "Johnnie" Johnson Housing Trust	264	98
	<u>          </u>	<u>          </u>

### 5. Employees

"Johnnie" Johnson Developments Limited has no employees or employee costs (2010 nil) The employees of the parent Company "Johnnie" Johnson Housing Trust Limited perform work for "Johnnie" Johnson Developments Limited

### 6. Board Members and Executive Directors

The Board of Directors did not receive any remuneration during the year from this Company (2010 nil) The remuneration and expenses were paid by the parent Company "Johnnie" Johnson Housing Trust Limited

## Notes to the Financial Statements

### 7. Tax on Profit on Ordinary Activities

	2011 £ '000	2010 £ '000
<b>Current tax</b>		
UK corporation tax on profit for the year	-	-
Adjustments in respect of prior years	-	-
	-	-
	-	-

As there is no taxable profit and no short term timing differences, a reconciliation of the tax charge as required by FRS 19 has not been prepared

### 8. Debtors

	2011 £ '000	2010 £ '000
Amounts owed by group undertakings	431	-
Other debtors	11	228
	442	228
	442	228

### 9. Creditors: Amounts Falling Due Within One Year

	2011 £ '000	2010 £ '000
Overdraft	135	-
Amounts owed to group undertakings	-	12
Other creditors	-	216
Accruals and deferred income	307	-
	442	228
	442	228

### 10. Share Capital

	2011 £	2010 £
<b>Authorised</b>		
	1	1
<b>Allotted and fully paid</b>		
	1	1
	1	1

"Johnnie" Johnson Housing Trust Limited holds one £1 share in the Company. No other shares have been issued.

## Notes to the Financial Statements

### 11. Financial Commitments

Capital expenditure commitments were as follows

	2011 £ '000	2010 £ '000
<b>Capital expenditure</b>		
Expenditure contracted for but not provided in the accounts	5,021	7,431
Expenditure authorised by the board but not contracted	4,518	1,800
	<u>9,539</u>	<u>9,231</u>

### 12. Contingent Liabilities

The Company had no known contingent liabilities at 31 March 2011 (2010 nil)

### 13. Reconciliation of Operating Profit to Net Cash Outflow from Operating Activities

	2011 £ '000	2010 £ '000
<b>Operating profit</b>	-	-
<b>Working capital movements</b>		
Debtors	(214)	(47)
Creditors	79	47
	<u>(135)</u>	<u>-</u>
<b>Net cash outflow from operating activities</b>	<u>(135)</u>	<u>-</u>

### 14. Reconciliation of Net Cash Flow to Movement in Net Debt

	2011 £ '000	2010 £ '000
Decrease in cash	(135)	-
<b>Increase in net debt from cash flows</b>	<u>(135)</u>	<u>-</u>
<b>Total changes in net debt for the period</b>	<u>(135)</u>	<u>-</u>
Net debt at 1 April	-	-
<b>Net debt at 31 March</b>	<u>(135)</u>	<u>-</u>

## Notes to the Financial Statements

### 15. Analysis of Net Debt

	1 April 2010 £ '000	Cash Flow £ '000	Non-cash movement £ '000	31 March 2011 £ '000
Cash at bank and in hand	-	-	-	-
Bank overdraft	-	(135)	-	(135)
<b>Changes in cash</b>	-	(135)	-	(135)
<b>Current asset investment</b>	-	-	-	-
<b>Changes in debt</b>	-	-	-	-
<b>Changes in net debt</b>	-	(135)	-	(135)

### 16. Ultimate Parent Company

The ultimate parent Company is "Johnnie" Johnson Housing Trust Limited, a Registered Social Landlord. The parent Company is incorporated in England. Copies of the accounts of "Johnnie" Johnson Housing Trust can be obtained from its registered office, Astra House, Spinners Lane, Poynton, Cheshire SK12 1GA.

### 17. Related Party Transactions

During the year there have been transactions with group undertakings. As these transactions are included in the consolidated accounts of the Trust, whose accounts are publically available, the Company has taken advantage of the exemption allowed by FRS 8.