

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

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"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

BOARD OF DIRECTORS

MEL HILL FIMgt FIMBM (Chairman)
ALAN BRIDGE MI Mgt
MALCOLM HARRISON MA
BRIAN HARWOOD TD MCIH
JIM LUNNEY BA FCIH Dip BFM(CIPFA)
ESTHER MELTON
TERRY WINFIELD DMA

DIRECTORS RETIRING DURING THE YEAR

Roger Hawkins MBA MRTPI MIPD Resigned 16th July 2002
Brenda Molnar B Soc Sci M Phil Resigned 25th February 2003
Sheelagh Peel MBChB MFPHM MFCH Resigned 24th September 2002
Douglas Price Resigned 24th September 2002
Derek Pullen Dip Prod Eng Resigned 24th September 2002
Geoff Yeomans FCA Resigned 24th September 2002

Auditors	RSM Robson Rhodes LLP Manchester	Deloitte & Touche Manchester (Internal Auditors)
Solicitors	Trowers & Hamlins Manchester	
Bankers	National Westminster Bank	
Company Registration Number	03895031	
VAT Registration Number	732490637	

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31ST MARCH 2003

The Board of Directors presents its Report and the Audited Financial Statements for the year ended 31st March 2003.

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 21st January 2000 and began trading on 1st April 2000.

Principal Activities

The Company has been established to act as the development body for "Johnnie" Johnson Housing Trust Ltd where it is not appropriate for the latter to undertake housing development and refurbishments on its own account.

Review of the Year

During the year the company undertook a number of projects for "Johnnie" Johnson Housing Trust with a turnover of £2,136,108 and anticipates further projects in 2003/04.

Future Developments

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

Employees

Details of employees and costs are set out in note 4.

Charitable Donations

The Company has provided for a Gift Aid payment of £109,294 to "Johnnie" Johnson Housing Trust Ltd.

The Board of Directors

The Board of Directors is listed on page 2.

Board Meetings

The Board of Directors met in formal session on six occasions in 2002/03.

Board of Directors Responsibilities

The Companies Act 1985 requires the Board of 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 Board of Directors has:

- **selected suitable policies and applied them consistently;**
- **made judgements and estimates that are reasonable and prudent;**

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

- followed applicable accounting standards;
- prepared the financial statements on a going concern basis.

The Board of Directors is 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 accounts comply with the Companies Act 1985. The Board of Directors is 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, by establishing and maintaining a satisfactory system of control over the Company's accounting records, cash holdings and all its receipts and remittances.

Website

The Annual Report and Accounts are available on the Trust's 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.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in the annual reports may differ from legislation in other jurisdictions.

Auditors

On 3rd May 2003, the auditors, RSM Robson Rhodes, transferred their entire business to RSM Robson Rhodes LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000 and ceased to act as external auditors to the Company. The Board appointed RSM Robson Rhodes LLP with effect from 3rd May 2003 to fill the casual vacancy. A resolution to reappoint RSM Robson Rhodes LLP as external auditors will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



J F LUNNEY
Secretary

29th July 2003

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF "JOHNNIE" JOHNSON DEVELOPMENTS LTD

We have audited the financial statements on pages 7 to 16.

Respective Responsibilities of the Board and Auditors

The Board is responsible for preparing the Board report and other information contained in the Annual Report and, as described on page 3, the Board is responsible for the preparation of the financial statement in accordance with applicable United Kingdom law and 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 Board 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 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 information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications 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 information outside the Annual Report.

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 Board 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 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.

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31st March 2003 and of the Company's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 and accounting requirements.

Colwyn Chambers
19 York Street
Manchester
M2 3BA
United Kingdom


RSM ROBSON RHODES LLP
Chartered Accountants and
Registered Auditors

29th July 2003

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Profit & Loss Account for the Year Ended 31st March 2003

	Note	2003 £	2002 £
Turnover: Continuing Activities	2	2,136,108	2,927,947
Operating Costs	2	(2,136,108)	(2,927,947)
Operating Profit		<u>-</u>	<u>-</u>
Interest Receivable		-	-
Interest Payable & Similar Charges		<u>-</u>	<u>-</u>
Profit on Ordinary Activities before tax		-	-
Tax on Ordinary Activities	6	-	-
Profit for the year after Taxation		<u>-</u>	<u>-</u>
Revenue Reserve at 1st April 2002		-	-
Revenue Reserve at 31st March 2003		<u><u>-</u></u>	<u><u>-</u></u>

All of the activities of the Company are continuing.

The notes on pages 12 to 17 form an integral part of these Accounts.

There have been no recognised gains and losses other than disclosed above.

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Balance Sheet as at 31st March 2003

	Note	2003 £	2002 £
Tangible Fixed Assets			
Total Fixed Assets		-	-
Current Assets			
Debtors	7	15,913	9,886
Cash at Bank and in Hand		(13,860)	146,893
		<u>2,053</u>	<u>156,779</u>
Current Liabilities			
Creditors: Amounts falling due within One Year	8	(2,052)	(156,778)
Net Current Assets		<u>1</u>	<u>1</u>
Total Assets less Current Liabilities		<u><u>1</u></u>	<u><u>1</u></u>
Creditors: Amounts falling due after more than One Year		-	-
Capital & Reserves			
Non Equity Share Capital	9	1	1
Revenue Reserve		-	-
		<u>1</u>	<u>1</u>

The notes on pages 12 to 17 form an integral part of these Accounts

The financial statements on pages 7 to 17 were approved by the Board of Directors on 29th July 2003 and were signed on its behalf by:

Mr M Hill FI Mgt FIMBM

Mr A Bridge MI Mgt

Mr J F Lunney BA FCIH Dip BFM(CIPFA)

Chairman

Deputy Chairman

Secretary

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Notes to the Accounts for the Year Ended 31st March 2003

Reconciliation of Movements in Funds

	2003 £	2002 £
Profit for the Financial Year	-	-
Other Recognised Profits Relating to the Year	-	-
New Share Capital Subscribed	-	-
Net movement in Funds for the Financial Year	<u>-</u>	<u>-</u>
Opening Funds as at 1st April 2002	1	1
Closing Funds as at 31st March 2003	<u><u>1</u></u>	<u><u>1</u></u>

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Cash Flow Statement for the Year Ended 31st March 2003

	Notes	2003 £	2002 £
Net Cash Inflow from Operating Activities	1	(160,753)	126,244
Returns on Investments & Servicing of Finance		-	-
Taxation Paid		-	-
Investment Activities			
Acquisition & Construction of Housing Properties		-	-
Net Cash Inflow Before Financing and Management of Liquid Resources		<u>(160,753)</u>	<u>126,244</u>
Management of Liquid Resources		-	-
Financing			
Share Capital		-	-
Increase / (Decrease) in Cash		<u><u>(160,753)</u></u>	<u><u>126,244</u></u>

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Notes to the Cash Flow Statement for the Year Ended 31st March 2003

(1) Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	2003 £	2002 £
Operating Profit	-	-
(Increase) in Debtors	(6,027)	(4,851)
(Decrease)/Increase in Creditors	<u>(154,726)</u>	<u>131,095</u>
Net Cash Inflow/(Outflow) from Operating Activities	<u>(160,753)</u>	<u>126,244</u>

(2) Reconciliation of Net Cash Flow to Movement in Net Funds

	2003 £	2002 £
Increase in Cash	<u>(160,753)</u>	<u>126,244</u>
Change in Net Funds	(160,753)	126,244
Net Fund at 1st April 2002	<u>146,893</u>	<u>20,649</u>
Net Fund at 31st March 2003	<u>(13,860)</u>	<u>146,893</u>

(3) Analysis of Changes in Net Funds

	At 1st April 2002 £	Cash Flows £	Other Changes £	At 31st March 2003 £
Cash at Bank and in Hand	146,893	(160,753)	-	(13,860)
Overdrafts	-	-	-	-
	<u>146,893</u>	<u>(160,753)</u>	<u>-</u>	<u>(13,860)</u>
Debt Due Within 1 Year	-	-	-	-
Debt Due After 1 Year	-	-	-	-
Current Asset Investments	-	-	-	-
Net Funds	<u>146,893</u>	<u>(160,753)</u>	<u>-</u>	<u>(13,860)</u>

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Notes to the Accounts for the Year Ended 31st March 2003

1. Principal 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 1985.

Turnover

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

Related Parties

The Board of Directors includes tenants of "Johnnie" Johnson Housing Trust Ltd. The tenancies for these Directors are on normal terms and they are unable to use their position to their advantage.

Group Structure

"Johnnie" Johnson Developments Ltd forms part of a group wholly owned by "Johnnie" Johnson Housing Trust Ltd.

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Notes to the Accounts for the Year Ended 31st March 2003

2. Turnover, Operating Costs and Operating Profit

	2003			
	Turnover £	Costs of Sales £	Operating Costs £	Operating Profit/(Loss) £
Income and Expenditure from Development Activities	2,136,108	-	2,026,814	109,294
Other Income and Expenditure Gift Aid Payment	-	-	109,294	(109,294)
Total	<u>2,136,108</u>	<u>-</u>	<u>2,136,108</u>	<u>-</u>
	2002			
	Turnover £	Costs of Sales £	Operating Costs £	Operating Profit/(Loss) £
Income and Expenditure from Development Activities	2,927,947	-	2,870,625	57,322
Other Income and Expenditure Gift Aid Payment	-	-	57,322	(57,332)
Total	<u>2,927,947</u>	<u>-</u>	<u>2,927,947</u>	<u>-</u>

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Notes to the Accounts for the Year Ended 31st March 2003

3. Directors Emoluments

The remuneration paid to the Directors of the Company (the Board of Directors, the Chief Executive, and those reporting directly to the Chief Executive) was:

	2003	2002
	£	
Emoluments (Including pension contributions and benefits in kind)	-	
Emoluments (Excluding pension contributions, including amounts paid to the Chief Executive)	-	

The number of Directors, including the highest paid Director, who received emoluments (excluding pension contributions) in the following range were:

	2003	2002
	£	
£40,000 to £60,000	-	
Total expenses re-imbursed to the Directors, not chargeable to United Kingdom Income Tax were:	-	

No emoluments were paid to Board members other than incidental expenses.

4. Employees and Employee Costs

	2003	2002
	£	
Staff Costs During the Year		
Wages & Salaries	-	
Social Security Costs (National Insurance Contributions)	-	

	2003	2002
	Numbers	Number
The average weekly number of people employed by the Company during the year was:	-	

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Notes to the Accounts for the Year Ended 31st March 2003

5. Operating Profit/(Loss) for the Year	2003	2002
	£	£
Is stated after Charging:		
Auditor's Remuneration		
In their capacity as auditors	816	905
In respect of other services	-	-
Gift Aid Payment to "Johnnie" Johnson Housing Trust Ltd	<u>109,294</u>	<u>57,322</u>

6. Taxation for the Year	2003	2002
	£	£
Corporation Tax @ 30%	-	-
Adjustment to previous year	-	-
	<u>-</u>	<u>-</u>

As there is no taxable profit and no short term timing differences, a reconciliation of the tax charge as required by FRS19 has not been prepared.

7. Debtors	2003	2002
	£	£
Amounts falling due within One Year :		
Other Debtors	<u>15,913</u>	<u>9,886</u>
	<u>15,913</u>	<u>9,886</u>

"JOHNNIE" JOHNSON DEVELOPMENTS LIMITED

Notes to the Accounts for the Year Ended 31st March 2003

	2003 £	2002 £
8. Creditors: Amounts Falling Due Within One Year		
Owing to Holding Company	1,236	155,481
Accruals and Deferred Income	<u>816</u>	<u>1,297</u>
	<u><u>2,052</u></u>	<u><u>156,778</u></u>

No security has been provided in respect of the above amounts outstanding.

	2003 £	2002 £
9. Share Capital		
"Johnnie" Johnson Housing Trust Ltd holds one £1 share in the Company. No other shares have been issued.		
Alloted, called up and fully paid share capital	<u>1</u>	<u>1</u>

Authorised share capital £1,000 divided into shares of £1 each.

	2003 £	2002 £
10. Financial Commitments		
Capital Expenditure contracted for but not provided for in the accounts.	852,831	346,007
Capital Expenditure authorised by the Board of Directors but not yet contracted for.	<u>3,298,224</u>	<u>2,446,500</u>

11. Contingent Liabilities

As at 31st March 2003 there were no known contingent liabilities

12. Ultimate Parent Company

The ultimate parent company is "Johnnie" Johnson Housing Trust Ltd a Registered Social Landlord. The parent society 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.