ARCHDIOCESAN PROPERTY SERVICES LIMITED

ANNUAL REPORT
31 DECEMBER 2011

Registered Chantry Number 1055049
Company Limited by Guarantee
Company Number 3142451
ARCHDIOCESAN PROPERTY SERVICES LIMITED

OFFICIALS AND ADVISORS

DIRECTORS AND TRUSTEES

Very Rev A O’Brien
Rt Rev Mgr Provost P Cookson
Rev S Kirwin

SECRETARY

J P McMahon

AUDITORS

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

BANKERS

HSBC plc
4 Dale Street
Liverpool
L69 2BZ

REGISTERED OFFICE

Croxeth Drive
Sefton Park
Liverpool
L17 1AA
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ARCHDIOCESAN PROPERTY SERVICES LIMITED

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is incorporated as a company limited by guarantee (having no share capital), company number 3142451, and is a registered charity, charity number 1055049. The company is governed by the provisions of its Memorandum and Articles of Association incorporated 29 December 1995 as amended by special resolutions dated 7 February 1996 and 26 April 1996.

Organisational structure and decision making

The affairs of the company are governed by the Trustees. The Trustees are ultimately responsible for the administration and assets of the charity and are all Trustees of Liverpool Roman Catholic Archdiocesan Trust (the Archdiocese), which is the parent entity.

The strategic decision making process is undertaken through the organisational structure of the Archdiocese. In formulating the strategy of the company, the Trustees implement the specific strategy of the Archdiocese in respect of building maintenance and repair, and financial decisions are made after consultation with the Financial Advisory Committee of the Archdiocese. Detailed decisions in respect of property and building matters are taken in consultation with the Building Projects Committee of the Archdiocese. The findings of both committees are recommended to the Trustees of the Archdiocese.

Directors and Trustees

The Trustees who are also directors of the company in the year were:

Very Rev Canon A O'Brien
Rt Rev Mgr Provost P Cookson
Rev S Kirwin

The appointment of new or additional Trustees is made in consultation with the Trustees of the Archdiocese. The induction process for any newly appointed Trustee is tailored to the requirements of the individual. The new Trustee receives copies of Charity Commission guidance, and the minutes of the most recent Trustees' meetings, and a copy of the most recent statutory accounts, ongoing training is provided for all Trustees.

Risk management

The Trustees have assessed the major risks to which the Charities are exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

OBJECTS, ACTIVITIES AND PUBLIC BENEFIT

The Company's charitable object is to promote the charitable purposes of Liverpool Roman Catholic Archdiocesan Trust (registered charity number 232709) by undertaking or facilitating the building, maintenance, repair and development of Archdiocesan church, school and other buildings.

As many parishes communities are faced with limited resources, the activities of the charity in facilitating the construction of new church buildings and the management of maintenance and repair programmes for existing church buildings ensure that the public are able to worship in buildings that are compliant with relevant legislation.

By managing School building projects on behalf of the archdiocese, the charity is aiding in the provision of high quality school buildings for the benefit of school children in archdiocesan schools.

Due consideration to Charity Commission published guidance on operation of Public Benefit requirement has been given.
ARCHDIOCESAN PROPERTY SERVICES LIMITED

TRUSTEES' REPORT (CONT'D)

Achievements and Performance

Effective control of both parish and school building projects has ensured that expenditure budgets set by the Archdiocese have been adhered to with the impact of managed costs being evident in the accounts of the School Projects Fund and parishes within the Archdiocese.

FINANCIAL REVIEW

The accounts for the year under review show net incoming resources of £12,764 after a Gift Aid donation to the Liverpool Roman Catholic Archdiocesan Trust of £259,077. After taking into account an unrealised loss on investments held of £29,816 the funds carried forward at 31 December 2011 have decreased to £214,905.

Income from surveying activities has decreased by approximately £450,000 from 2010 and the annual objective of the company is to generate savings on professional fees in respect of building projects rather than merely the generation of funds. With the gift aid donation to the Archdiocese of £259,077, the Trustees are satisfied that the company is making a positive financial contribution to the Archdiocese.

Investments

The company's investments are held in the Liverpool Archdiocese untitled portfolio of listed investments managed by an external investment manager and details of the investment policy are given in the Archdiocesan accounts. The unrealised loss on investments of £29,816 (2010 gain of £47,348) is in line with the expectations of the Investment Panel of the Archdiocese in the current economic climate.

Reserves

Reserves are maintained at a level to ensure that adequate working capital is kept within the charity.

AUDITORS

So far as each of the trustees is aware at the time the report is approved

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

A resolution for the reappointment of PKF (UK) LLP as auditors will be proposed.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

This report was approved by the Board and signed on its behalf.

On behalf of the Board

J P McMahon
Secretary

20 September 2012
ARCHDIOCESAN PROPERTY SERVICES LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARCHDIOCESAN PROPERTY SERVICES LIMITED

We have audited the financial statements of Archdiocesan Property Services Limited for the year ended 31 December 2011 which comprise the statement of financial activities (including income and expenditure account), the balance sheet 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 charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed as auditor under the Companies Act 2006 and report in accordance with that Act. 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 assessing whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 charity's affairs as at 31 December 2011 and of its
  incoming resources and application of resources, including its income and expenditure, 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 trustees' annual 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 in respect of the charity, or returns
  adequate for our audit have not been received from branches not visited by us, or
• the financial statements do not accord with the accounting records and returns, or
• certain disclosures of trustee's 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
24 September 2012
ARCHDIOCESAN PROPERTY SERVICES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted General Funds 2011 £</th>
<th>Unrestricted General Funds 2010 £</th>
</tr>
</thead>
</table>

INCOMING RESOURCES

Incoming resources from generated funds

- Activities for generating funds  2 1  244,611  239,483
- Investment income  2 2  14,265  13,590

Incoming resources from charitable activities  3  936,077  1,386,318

Other incoming resources  -  -

TOTAL INCOMING RESOURCES  1,194,953  1,639,391

RESOURCES EXPENDED

Cost of generating funds

- Costs of generating voluntary income  2,482  5,817

Charitable activities  4 1  1,169,397  1,609,940

Governance costs  4 2  10,310  11,044

TOTAL RESOURCES EXPENDED  1,182,189  1,626,801

NET INCOME FOR THE YEAR/NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS  12,764  12,590

OTHER RECOGNISED GAINS AND LOSSES

Unrealised loss on investments  (29,816)  47,348

NET MOVEMENT IN FUNDS  (17,052)  59,938

Fund balance brought forward at 1 January 2011  231,957  172,019

FUND BALANCE CARRIED FORWARD AT 31 DECEMBER 2011  214,905  231,957

All amounts relate to continuing operations

The company has no recognised gains or losses other than those included within the Statement of Financial Activities

The notes on pages 7 to 11 form an integral part of these financial statements
### ARCHDIOCESAN PROPERTY SERVICES LIMITED

#### BALANCE SHEET
#### 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible Fixed Assets</td>
<td>5</td>
<td>7,942</td>
</tr>
<tr>
<td>Investments, at market value</td>
<td>6</td>
<td>562,566</td>
</tr>
<tr>
<td><strong>Total Fixed assets</strong></td>
<td></td>
<td>570,508</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>75,357</td>
</tr>
<tr>
<td>Debtors</td>
<td>7</td>
<td>157,003</td>
</tr>
<tr>
<td><strong>Total Current assets</strong></td>
<td></td>
<td>232,360</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors – amounts falling due within one year</td>
<td>8</td>
<td>(587,963)</td>
</tr>
<tr>
<td><strong>Net current liabilities</strong></td>
<td></td>
<td>(355,603)</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td>214,905</td>
</tr>
</tbody>
</table>

#### Accumulated Funds

Unrestricted general funds (page 5) | 214,905 | 231,957 |

These accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small entities.

The financial statements were approved and authorised for issue by the Trustees and were signed on its behalf and approved by the board on 20 September 2012.

*Rev S Kirwin*

Director/Trustee

The notes on pages 7 to 11 form an integral part of these financial statements.

Company Number 3142451
ARCHDIOCESAN PROPERTY SERVICES LIMITED

NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31 DECEMBER 2011

1

PRINCIPAL ACCOUNTING POLICIES

1.1

Basis of preparation

The financial statements have been prepared according to the principles contained in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and in accordance with the Companies Act 2006, Charities Act 2011 and applicable accounting standards.

The financial statements comply with current statutory requirements, with any further requirements of the charity’s governing document and with the SORP 2005.

The financial statements are prepared under the historical cost convention, modified by the revaluation of investments to market value.

1.2

Incoming resources

Incoming resources are included in the Statement of Financial Activities on the basis of amounts receivable for the year in respect of work done and services provided, excluding value added tax. Income received in advance is carried forward as deferred income to the following year.

1.3

Resources expended

Resources expended are included in the Statement of Financial Activities on the accruals basis. These are based on the amounts payable for work done or services provided in the year.

Costs of generating funds

Costs of generating funds comprise all costs relating to attracting voluntary income.

Charitable activities

Charitable activities expenditure includes the costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity, including direct staff costs, other direct costs, and where appropriate, apportioned support costs.

Governance costs

Governance costs are those costs related to the governance of the charity, to allow it to operate, and to generate information for public accountability. Direct costs will include audit and accountancy, legal advice to trustees and costs of trustees meetings.

1.4

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write-off the cost, less estimated residual value, of each asset over its expected useful life, as follows -

Equipment (including IT) – 25% per annum of cost

1.5

Investments and investment gains and losses

Investments are included in the balance sheet at their market value at the balance sheet date.

Realised and unrealised investment gains and losses are included in the Statement of Financial Activities. Realised gains and losses are computed by comparing the proceeds received with the market value brought forward and unrealised gains and losses represent the movement in market value in the period.

- 7 -
16 Taxation

No provision is made for taxation as the charitable company is entitled to the various exemptions afforded by the Corporation Tax Act 2010

17 Pension costs

The company and eligible employees make defined contributions to a group personal pension scheme, with the employer matching employee contributions up to 6% of pensionable remuneration. Contributions payable are included in resources expended in the Statement of Financial Activities.

18 Funds

All funds are classed as unrestricted.

19 Liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the entity to pay out resources.

2 INCOMING RESOURCES FROM GENERATED FUNDS

2.1 Activities for generating funds

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schools contribution scheme</td>
<td>244,611</td>
<td>239,483</td>
</tr>
</tbody>
</table>

2.2 Investment Income

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income receivable from untised portfolio</td>
<td>14,265</td>
<td>13,590</td>
</tr>
<tr>
<td>Bank interest receivable</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

|                             | 14,265 | 13,590 |

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>936,077</th>
<th>1,386,318</th>
</tr>
</thead>
</table>
ARCHDIOCESAN PROPERTY SERVICES LIMITED

NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>4</th>
<th>RESOURCES EXPENDED</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Charitable activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1</td>
<td>Property works</td>
<td>906,841</td>
<td>1,280,578</td>
</tr>
<tr>
<td></td>
<td>Depreciation</td>
<td>3,479</td>
<td>2,230</td>
</tr>
<tr>
<td></td>
<td>Gift aid to Liverpool Roman Catholic Archdiocesan Trust</td>
<td>259,077</td>
<td>327,132</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>1,169,397</strong></td>
<td><strong>1,609,940</strong></td>
</tr>
</tbody>
</table>

| 4.2 | Governance costs |          |          |
|     | Audit fees       | 10,310   | 11,044   |

| 4.3 | Staff costs |          |          |
|     | Wages and salaries | 303,818 | 258,886 |
|     | Social security costs | 26,253  | 26,353  |
|     | Pension contributions | 20,883  | 20,882  |
|     |                    | **350,954** | **306,121** |

No remuneration was paid to any of the directors (trustees) for the year (2010 €Nil) The average number of employees was 8 (2010 7)
The directors (trustees) did not receive reimbursement for any expenses in the year (2010 €Nil)
No employees earned over £60,000 (2010 £Nil)
ARCHDIOCESAN PROPERTY SERVICES LIMITED
NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31 DECEMBER 2011

5 FIXED ASSETS – TANGIBLE

<table>
<thead>
<tr>
<th></th>
<th>At 1 January 2011</th>
<th>Additions</th>
<th>Disposals</th>
<th>At 31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Equipment</td>
<td>9,354</td>
<td>4,561</td>
<td>-</td>
<td>13,915</td>
</tr>
<tr>
<td></td>
<td>9,354</td>
<td>4,561</td>
<td>-</td>
<td>13,915</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>At 1 January 2011</th>
<th>Charge for year</th>
<th>Eliminated on disposal</th>
<th>At 31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,494</td>
<td>3,479</td>
<td>-</td>
<td>5,973</td>
</tr>
<tr>
<td></td>
<td>2,494</td>
<td>3,479</td>
<td>-</td>
<td>5,973</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>At 1 January 2011</th>
<th>At 31 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net book amounts</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Equipment</td>
<td>6,860</td>
<td>7,942</td>
</tr>
<tr>
<td></td>
<td>6,860</td>
<td>7,942</td>
</tr>
</tbody>
</table>

6 INVESTMENTS, at market value

As at 1 January 2011 578,794
Additions, at cost 13,588
Change in market value (29,816)
As at 31 December 2011 562,568

As detailed in the Trustees’ Report, the company’s investments are held in the Liverpool Archdiocese unitised portfolio of listed investments managed by an external investment manager and details of the investments held are given in the notes to the Archdiocesan accounts.
7 DEBTORS

Due within one year:
Accrued income and sundry debtors 157,003 203,576
Amount due from fellow subsidiary undertaking - 6,097

157,003 209,673

8 CREDITORS

Amounts falling due within one year
Trade creditors 67,198 57,654
Amount due to Liverpool Roman Catholic Archdiocesan Trust 401,801 179,668
Amount due to fellow subsidiary undertaking - -
Sundry creditors and accruals 23,444 125,482
Deferred income creditors 63,932 280,072
Other taxation 31,588 32,883

587,963 675,759

9 ULTIMATE CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Liverpool Roman Catholic Archdiocesan Trust. The Trust is also the ultimate controlling party. The company is consolidated within their accounts, which are available from the registered office as detailed in these accounts.

During the year there have been transactions with other group undertakings. As these transactions are included in the consolidated charity accounts and these accounts are publicly available, the company has taken advantage of the exemption allowed by FRS 8.