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
<table>
<thead>
<tr>
<th>CONTENTS</th>
<th>PAGE</th>
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</thead>
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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).

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 with ongoing training is provided for all Trustees.

Risk management

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

OBJECTIVES AND ACTIVITIES

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.

The Company aims to ensure the efficient management of approved archdiocesan building and repair projects by providing for the costs of surveying and coordination of parish and school projects.

By exercising control over professional fees associated with archdiocesan building projects the company is able to ensure that the limited funds of the School Projects Fund and parishes within the Archdiocese are utilised in an efficient manner.
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 £13,556 after a Gift Aid donation to the Liverpool Roman Catholic Archdiocesan Trust of £293,810. After taking into account an unrealised loss on investments held of £155,206 the funds carried forward at 31 December 2008 have decreased to £93,760.

Income from surveying activities has increased by approximately £38,000 from 2007 and the annual objective of the company is to generate savings of £50,000 on professional fees in respect of building projects rather than merely the generation of funds. With the gift aid donation to the Archdiocese of £293,810, 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 unitised 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 £155,206 (2007: £29,752 gain) 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.

PLANS FOR FUTURE PERIODS

A strategic review, ‘Leaving safe harbours’, has initiated a review of the functional properties of the Archdiocese. The Company is committed to managing the building project element of the review by facilitating the construction of new build properties, the refurbishment of existing properties, and where necessary the demolition of properties deemed surplus to requirements in addition to managing the archdiocesan efforts in respect of the ‘Building Schools for the Future’ initiative.

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 directors 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 VII of the Companies Act 1985 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

22 October 2009
ARCHDIOCESAN PROPERTY SERVICES LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees are required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity, including its income and expenditure, for that period. In preparing these financial statements the trustees 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 Companies Act 1985. 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 AUDITORS' 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 2008 which comprise the Statement of Financial Activities including the Income and Expenditure Account, the Balance Sheet and related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity’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 charity'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 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 auditors

The responsibilities of the trustees (who are also the directors of the company for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the trustees' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity 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 trustees' remuneration and other transactions is not disclosed.

We read the trustees' report 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 International Standards on Auditing (UK and Ireland) 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity’s affairs as at 31 December 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the trustees' report is consistent with the financial statements.

Liverpool
28 October 2009

Registered Auditors
ARCHDIOCESAN PROPERTY SERVICES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 DECEMBER 2008

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted General Funds 2008 £</th>
<th>Unrestricted General Funds 2007 £</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

INCOMING RESOURCES

Incoming resources from generated funds

Activities for generating funds 2.1 235,398 225,321
Investment income 2.2 13,855 18,491

Incoming resources from charitable activities 3 1,276,565 1,239,028
Other incoming resources - -

TOTAL INCOMING RESOURCES 1,525,818 1,482,840

RESOURCES EXPENDED

Cost of generating funds

Costs of generating voluntary income (2,552) (4,281)

Charitable activities 4.1 1,508,139 1,461,454

Governance costs 4.2 6,675 6,550

TOTAL RESOURCES EXPENDED 1,512,282 1,463,723

NET INCOME FOR THE YEAR/NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS 13,556 19,117

OTHER RECOGNISED GAINS AND LOSSES

Unrealised (loss)/gain on investments (155,206) 29,752

NET MOVEMENT IN FUNDS (141,650) 48,869

Fund balance brought forward at 1 January 2008 235,410 186,541

FUND BALANCE CARRIED FORWARD AT 31 DECEMBER 2008 93,760 235,410

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 9 form an integral part of these financial statements.


ARCHDIOCESAN PROPERTY SERVICES LIMITED

BALANCE SHEET
31 DECEMBER 2008

<table>
<thead>
<tr>
<th>Notes</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Fixed assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments, at market value</td>
<td>5</td>
<td>440,472</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>125,411</td>
</tr>
<tr>
<td>Debtors</td>
<td>6</td>
<td>97,383</td>
</tr>
<tr>
<td></td>
<td></td>
<td>222,794</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors – amounts falling due within one year</td>
<td>7</td>
<td>(569,506)</td>
</tr>
<tr>
<td>Net current liabilities</td>
<td></td>
<td>(346,712)</td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td>93,760</td>
</tr>
</tbody>
</table>

Accumulated Funds

Unrestricted general funds (page 5) | | 93,760 | 235,410 |

These accounts have been prepared in accordance with the special provisions (of part VII) of the Companies Act 1985 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 22 October 2009.

Rev S Kirwin

Director/Trustee

The notes on pages 7 to 9 form an integral part of these financial statements.

Company Number 3142451
PRINCIPAL ACCOUNTING POLICIES

1.1 Basis of accounting
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 1985 and applicable accounting standards.

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.

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 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.

1.5 Taxation
The trustees consider that the exemptions from taxation set out in the Income and Corporation Taxes Act 1988 and the Taxation of Chargeable Gains Act 1992 are met, and thus no provision is made for taxation other than in relation to the company’s trading activities.

1.6 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.

1.7 Funds
All funds are classed as unrestricted.
ARCHDIOCESAN PROPERTY SERVICES LIMITED

NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31 DECEMBER 2008

2 INCOMING RESOURCES FROM GENERATED FUNDS

2.1 Activities for generating funds

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schools contribution scheme</td>
<td>235,398</td>
<td>225,321</td>
</tr>
</tbody>
</table>

2.2 Investment income

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income receivable from unutilised portfolio</td>
<td>12,883</td>
<td>15,174</td>
</tr>
<tr>
<td>Bank interest receivable</td>
<td>972</td>
<td>3,317</td>
</tr>
<tr>
<td></td>
<td>13,855</td>
<td>18,491</td>
</tr>
</tbody>
</table>

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property surveying</td>
<td>1,276,565</td>
<td>1,239,028</td>
</tr>
</tbody>
</table>

4 RESOURCES EXPENDED

4.1 Charitable activities

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property works</td>
<td>1,214,329</td>
<td>1,055,454</td>
</tr>
<tr>
<td>Gift aid to Liverpool Roman Catholic Archdiocesan Trust</td>
<td>293,810</td>
<td>406,000</td>
</tr>
<tr>
<td></td>
<td>1,508,139</td>
<td>1,461,454</td>
</tr>
</tbody>
</table>

4.2 Governance costs

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit fees</td>
<td>6,675</td>
<td>6,550</td>
</tr>
<tr>
<td>Staff costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>2007</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>184,415</td>
<td>159,616</td>
</tr>
<tr>
<td>Social security costs</td>
<td>21,413</td>
<td>17,305</td>
</tr>
<tr>
<td>Pension contributions</td>
<td>5,575</td>
<td>5,894</td>
</tr>
<tr>
<td></td>
<td>211,403</td>
<td>182,815</td>
</tr>
</tbody>
</table>

No remuneration was paid to any of the directors (trustees) for the year (2007: £Nil). The average number of employees was 4 (2007: 4).

The directors (trustees) did not receive reimbursement for any expenses in the year (2007: £Nil). No employees earned over £60,000.
ARCHDIOCESAN PROPERTY SERVICES LIMITED

NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31 DECEMBER 2008

5 INVESTMENTS, at market value
As at 1 January 2008 580,332
Additions, at cost 15,346
Change in market value (155,206)
As at 31 December 2008 440,472

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.

6 DEBTORS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due within one year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued income and sundry debtors</td>
<td>81,388</td>
<td>22,407</td>
</tr>
<tr>
<td>Other taxation and social security</td>
<td>15,995</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>97,383</td>
<td>22,407</td>
</tr>
</tbody>
</table>

7 CREDITORS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts falling due within one year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors</td>
<td>30,690</td>
<td>82,056</td>
</tr>
<tr>
<td>Amount due to Liverpool Roman Catholic Archdiocesan Trust</td>
<td>212,964</td>
<td>33,609</td>
</tr>
<tr>
<td>Amount due to fellow subsidiary undertaking</td>
<td>91,690</td>
<td>-</td>
</tr>
<tr>
<td>Deferred income creditors</td>
<td>234,162</td>
<td>245,732</td>
</tr>
<tr>
<td>Other taxation</td>
<td>-</td>
<td>10,724</td>
</tr>
<tr>
<td></td>
<td>569,506</td>
<td>372,121</td>
</tr>
</tbody>
</table>

8 ULTIMATE CONTROLLING PARTY

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.

9 RELATED PARTY TRANSACTIONS

9.1 The company's principal activity during the year related to the management of the maintenance of Archdiocesan properties (properties of the Liverpool Roman Catholic Archdiocesan Trust a registered charity, charity number 232709). The company receives some administrative support from the Archdiocese.

9.2 A gift aid donation was made to Liverpool Roman Catholic Archdiocesan Trust, the charitable company's parent, in the year amounting to £293,810 (2007: £406,000).

9.3 Income includes £1,278,565 (2007: £1,239,028) from Tuneside Limited, a fellow subsidiary of Liverpool Roman Catholic Archdiocesan Trust.

9.4 Debtors include £20,076 (2007: £Nil) relating to Tuneside Limited.

9.5 Creditors include £212,964 (2007: £33,609) relating to Liverpool Roman Catholic Archdiocesan Trust and £91,690 (2007: £Nil) relating to Tuneside Limited.