

**HIGH BICKINGTON CPT LIMITED**

**DIRECTORS' REPORT**

**AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2009**

**REGISTRATION NUMBER**

**IP29778R**

**High Bickington CPT Limited**

**Company information**

Directors	D Brown K R Burford C Dean M Leatham I Matthews A Powell G Wood	(appointed 15 May 2008)
Secretary	D Venner	
Company number	IP29778R	
Registered office	Portland House Longbrook Street Exeter Devon EX4 6AB	
Auditors	Thomas Westcott 47 Boutport Street Barnstaple Devon EX31 1SQ	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Maling Kent ME19 4JQ	
Solicitors	Trowers & Hamlins Sceptre Court 40 Tower Hill London EC3N 4DX	

**High Bickington CPT Limited**

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**High Bickington CPT Limited**

**Chairman's report**  
**for the year ended 31 March 2009**

The past year may well be viewed by future generations as a key turning point in the sustainable development of the parish of High Bickington. After 9 years of hard work by local volunteers, supported by a range of professionals, planning consent was obtained in February 2009 for the development of Little Bickington Farm for the lasting benefit of the whole community. Before I give the details of the approved scheme and what it means for High Bickington, it is worth highlighting some of the events earlier in the year that led to this momentous decision.

Looking back, it seems that most of the year was taken up in protracted negotiations with lawyers on the details of the contract with DCC, for the transfer of the Little Bickington land to the CPT, and on the Section 106 Agreement that operates alongside the planning consent. I shall certainly long remember the hundreds of hours spent in trying to bring these negotiations to a successful conclusion but, after almost 18 months of effort, I think we are almost there!

A great deal of work has also gone into the production of a viable Financial Appraisal, and more detailed Business Plan, needed to accompany the planning application and for the CPT to use in support of applications for funding. In this work we have received much professional input from Bob Paterson and Steve Bendle of Community Land and Finance, and from Bob Head our Project Manager. This particular exercise was made even more challenging by the downturn in the housing market in early 2008 and the ensuing "credit crunch". These factors had major implications for the size of the scheme, the phasing of its different parts and for the package of funding needed to make it all work financially. We now believe, however, that we have a viable scheme that still addresses the community's aspirations and concerns, meets the needs of local people and helps ensure a sustainable future for High Bickington.

We continue to be tremendously grateful for the support we receive from both Members and Officers of Devon County Council. The package of cash flow and other measures that I announced in last year's report has enabled us to deliver a successful planning application and will assist with future interest payments on borrowed money needed to provide adequate 'cash-flows' during the building of the whole development. The Contract negotiations have resulted in the County Council agreeing to the unencumbered freehold transfer to the CPT of c4 acres of land required for the housing and workshops and a further 8.6 acres on 125 year leases for the community and sports facilities, including the existing community woodland. The County Council will retain 6.7 acres for the replacement primary school, which we look forward to the possibility of being built within a couple of years. We owe a huge debt of gratitude to County Councilor John Rawlinson, who has now stood down from membership of the County Council, but who, over the entire life of the project, has given outstanding support to us. It is with much sadness that we also record the untimely death, in April 2009, of County Councilor Des Shadrack who, in his capacity as County Farms Estate Chairman, set us off on our mammoth journey back in the year 2000. Des was a loyal supporter of our work and he is much missed not only by our project but by all who knew him and worked alongside him for the benefit of the people of Devon.

## **High Bickington CPT Limited**

### **Chairman's report** **for the year ended 31 March 2009**

To ensure that the County Council are getting "value for money" from their involvement in the scheme and from the terms of the land disposal, the Development Trusts Association (DTA) were engaged, by the County Council, to conduct a detailed appraisal of all aspects of the arrangements. Alongside this, the DTA undertook a "Health-check" exercise in relation to the governance, policies and practices of the Community Property Trust itself. Normally this sort of exercise is applied to larger and more complex organizations. Nevertheless I am pleased to say that, even though we are a small organization with only one part time employee, we were given a good report, with all of the 'Health-check's' requirements being fully, or in a few instances, partially met. We are taking steps to improve our "rating" for those aspects that the DTA suggested could be improved upon.

After careful consideration of the issues raised by the Inspector at the Public Inquiry into the first application, taking into account the changed financial climate, and revising the housing provision in line with the results of an independent Housing Survey, a Full Planning Application was submitted to Torridge District Council and approved by its Plans Committee in January 2009. Whilst Councillors voted unanimously to approve the application it was, as expected, referred to Government Office for the South West as a major departure from the Local Plan. On 20th February, however, the Government Office wrote to Torridge with the welcome news that the Secretary of State "was satisfied that the issues raised do not relate to matters of more than local importance" and should, therefore, be decided by Torridge.

The consent is for:

- 16 affordable homes (7 rented, 9 equity share)
- 23 open market homes (including 5 barn conversions)
- 6 employment units
- A community hall, sports pitches and changing rooms
- 120 pupil primary school to replace the existing school
- A biomass district heating plant for the whole site
- Sites for a possible future health centre and allotments.

As reported last year, in May 2008, we received most welcome news of the award of a three year grant amounting to £50,430 from the Esmée Fairbairn Foundation. This generous grant means that our core costs (David Venner's salary, office costs, insurance and audit fees) are covered for the period up to April 2011. By that time, with rental income from houses and workshops, and with a 'dowry' of £250,000 generated from the scheme, the CPT should be self supporting. Our sincere thanks are due to the trustees of the Esmée Fairbairn Foundation for making these funds available during this important stage in our development as a ground breaking Community Land Trust, one of a growing number across the country.

**High Bickington CPT Limited**

**Chairman's report**  
**for the year ended 31 March 2009**

Our highest priority is to finalize the package of funding for delivering Phase 1 of the development which we hope can start in the early part of 2010. This will include all 16 of the affordable homes, some of the workspace units, the biomass heating system and the major part of site infrastructure. We are applying to a variety of funders for available grant aid and will also need to source longer term 'mortgage' funding towards the costs of delivering the rented homes and workshops.

Phase 2 is likely to include the remainder of the workshops, community facilities and primary school, with the market homes being constructed as and when the general housing market starts to show an increase in house values.

Once again I would particularly like to pay tribute to the excellent work and entirely voluntary effort of the CPT's Directors, the members of our various Committees and representatives of our partner agencies. I would also like to record grateful thanks to David Venner for his untiring and excellent work on behalf of the whole project.

Finally, I would like to thank the individual Members of the CPT for their continued support and encouragement.

**D Brown**  
**Chairman**

## **High Bickington CPT Limited**

### **Directors' report** **for the year ended 31 March 2009**

The directors present their report and the financial statements for the year ended 31 March 2009.

#### **Principal activity**

The company is a Community Property Trust registered under the Industrial and Provident Societies Act 1965.

High Bickington Project 2000 was incorporated into the company on 31 January 2005. The principal activity of the company is the provision of affordable housing, community facilities and workspace. Financial support has been provided by Leader Plus, the Tudor Trust, Lloyds TSB Foundation, the Carnegie UK Trust and the Esmee Fairbairn Foundation.

#### **Directors**

The directors who served during the year are as stated below:

D Brown  
K R Burford  
C Dean (appointed 15 May 2008)  
J Gibson (resigned 17 April 2008)  
M Leatham  
I Matthews  
A Powell  
G Wood

#### **Directors' responsibilities**

The directors are responsible for preparing 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). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to:

- select suitable accounting policies and 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 company will continue in business.

The directors are 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 financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002. 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.

**High Bickington CPT Limited**

**Directors' report**  
**for the year ended 31 March 2009**

..... continued

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

A resolution regarding the appointment of auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 24 September 2009 and signed on its behalf by

**D Venner**  
**Secretary**

**High Bickington CPT Limited**

**Independent auditors' report to the shareholders of**

**High Bickington CPT Limited**

We have audited the financial statements of High Bickington CPT Limited for the year ended 31 March 2009 which comprise the income and expenditure account, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the company's shareholders 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 company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and the auditors**

The directors' responsibilities for preparing 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 directors' 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 are properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**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 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.

**High Bickington CPT Limited**

**Independent auditors' report to the shareholders of High Bickington CPT Limited continued**

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002;
- the information given in the Directors' Report is consistent with the financial statements.

**Thomas Westcott**  
**Chartered Accountants and**  
**Registered Auditors**

**47 Boutport Street**  
**Barnstaple**  
**Devon**  
**EX31 1SQ**

**High Bickington CPT Limited**

**Income and expenditure account  
for the year ended 31 March 2009**

		Continuing operations	
		2009	2008
		£	£
	Notes		
<b><u>Income</u></b>	<b>2</b>	110,563	31,657
Administrative expenses		(151,198)	(55,832)
<b><u>Operating deficit</u></b>	<b>3</b>	(40,635)	(24,175)
Other interest receivable and similar income		11,748	16,077
<b><u>Deficit on ordinary activities before taxation</u></b>		(28,887)	(8,098)
Tax on deficit on ordinary activities		-	-
<b><u>Deficit for the year</u></b>	<b>8</b>	(28,887)	(8,098)
Retained surplus brought forward		307,640	315,738
<b><u>Retained surplus carried forward</u></b>		278,753	307,640

There are no recognised gains or losses other than the surplus or deficit for the above two financial years.

The notes on pages 11 to 14 form an integral part of these financial statements.

**High Bickington CPT Limited**

**Balance sheet**  
**as at 31 March 2009**

		2009		2008	
	Notes	£	£	£	£
<b><u>Fixed assets</u></b>					
Tangible assets	4		130		192
<b><u>Current assets</u></b>					
Debtors	5	919		15,555	
Cash at bank and in hand		294,015		303,270	
		<u>294,934</u>		<u>318,825</u>	
<b><u>Creditors: amounts falling due within one year</u></b>					
	6	(16,109)		(11,186)	
<b><u>Net current assets</u></b>					
			<u>278,825</u>		<u>307,639</u>
<b><u>Total assets less current liabilities</u></b>					
			<u>278,955</u>		<u>307,831</u>
<b><u>Net assets</u></b>					
			<u>278,955</u>		<u>307,831</u>
<b><u>Capital and reserves</u></b>					
Called up share capital	7		202		191
Reserves	8		278,753		307,640
<b><u>Total funds</u></b>					
	9		<u>278,955</u>		<u>307,831</u>

The financial statements were approved by the Board on 24 September 2009 and signed on its behalf by

**D Brown**  
**Director**

**K R Burford**  
**Director**

**D Venner**  
**Secretary**

The notes on pages 11 to 14 form an integral part of these financial statements.

**High Bickington CPT Limited**

**Notes to the financial statements**  
**for the year ended 31 March 2009**

..... continued

**1. Accounting policies**

**1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

**1.2. Income**

Income represents grants and other amounts receivable during the year.

Grants in respect of capital expenditure are credited against the cost of the relevant asset to write off the asset in the year of purchase.

Grants of a revenue nature are credited to income to match them with the expenditure to which they relate.

**1.3. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery - 5 years straight-line

**1.4. Deferred taxation**

Full provision is made for deferred tax liabilities arising from timing differences between the recognition of items in the accounts and their recognition for tax purposes. Deferred tax balances are not discounted.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

**2. Income**

The total income of the company for the year has been derived from its principal activity wholly undertaken in the UK.

**3. Operating deficit**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Operating deficit is stated after charging:		
Depreciation and other amounts written off tangible assets	62	62
Auditors' remuneration	1,300	1,000
	<u>1,362</u>	<u>1,062</u>

**High Bickington CPT Limited**

**Notes to the financial statements**  
**for the year ended 31 March 2009**

<b><u>4. Tangible fixed assets</u></b>	<b>Plant and machinery</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b><u>Cost</u></b>		
At 1 April 2008	311	311
At 31 March 2009	<u>311</u>	<u>311</u>
<b><u>Depreciation</u></b>		
At 1 April 2008	119	119
Charge for the year	62	62
At 31 March 2009	<u>181</u>	<u>181</u>
<b><u>Net book values</u></b>		
At 31 March 2009	<u>130</u>	<u>130</u>
At 31 March 2008	<u>192</u>	<u>192</u>

Grants are offset against capital additions as incurred. Fixed assets at an historic cost of £5,905 are held by the company.

<b><u>5. Debtors</u></b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Grants receivable	-	15,319
Other debtors	140	-
Prepayments and accrued income	779	236
	<u>919</u>	<u>15,555</u>

<b><u>6. Creditors: amounts falling due within one year</u></b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Other taxes and social security costs	121	114
Other creditors	13,388	9,772
Accruals and deferred income	2,600	1,300
	<u>16,109</u>	<u>11,186</u>

**High Bickington CPT Limited**

**Notes to the financial statements**  
**for the year ended 31 March 2009**

..... continued

<b><u>7. Share capital</u></b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b><u>Allotted, called up and fully paid equity</u></b>		
202 Ordinary shares of £1 each	202	191
	<u>          </u>	<u>          </u>

The company's shares carry no right to interest, dividend or bonus. The shares are not transferable (except for shares held by nominees), carry no rights on dissolution and cannot be encashed.

<b><u>8. Equity Reserves</u></b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b><u>At 1 April 2008</u></b>	307,640	307,640
Loss for the year	(28,887)	(28,887)
	<u>          </u>	<u>          </u>
<b><u>At 31 March 2009</u></b>	278,753	278,753
	<u>          </u>	<u>          </u>

<b><u>9. Reconciliation of movements in funds</u></b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Deficit for the year	(28,887)	(8,098)
Net proceeds of equity share issue	11	7
	<u>          </u>	<u>          </u>
Net addition to funds	(28,876)	(8,091)
Opening funds	307,831	315,922
	<u>          </u>	<u>          </u>
Closing funds	278,955	307,831
	<u>          </u>	<u>          </u>

**10. Contingent liabilities**

Under an agreement dated 16th January 2004 £100,000 was paid to High Bickington Parish Council as a contribution towards a new village/community hall. This sum was passed to High Bickington CPT Ltd in May 2005. Under the agreement referred to above the money must be repaid with interest if not spent within ten years.

**11. Transactions with directors**

During the year, board members were paid £38 (2008 - £56) for expenses incurred.

**High Bickington CPT Limited**

**Notes to the financial statements**  
**for the year ended 31 March 2009**

..... continued

**12. Post balance sheet events**

Since the year end, contracts have been exchanged for the purchase of the land at buildings at Little Bickington Farm, High Bickington, Devon from Devon County Council. Under the terms of the contract, the land will be paid for on completion of the development as the surplus arising will be divided between the company and Devon County Council. On this basis, the directors consider that no provision for the commitment is required in these accounts.

It is anticipated that the project to develop the land will commence in January 2010. At the balance sheet date, no contracts have been exchanged for the construction work.

**13. Restricted income**

In May 2008, a grant of £16,090 was received from Esmee Fairbairn Foundation for core expenses. The money has been spent in line with the terms and conditions of the grant.

**High Bickington CPT Limited**

**The following pages do not form part of the statutory accounts.**

**High Bickington CPT Limited**

**Detailed income and expenditure account**  
**and expenses schedule**  
**for the year ended 31 March 2009**

	2009		2008	
	£	£	£	£
<b><u>Income</u></b>				
Grants		102,108		23,319
Rent receivable		7,955		8,301
Other income		500		37
		<u>110,563</u>		<u>31,657</u>
<b><u>Administrative expenses</u></b>				
Wages and salaries	9,551		10,753	
Staff training	-		249	
Rent payable	4,987		4,318	
Insurance	1,037		1,040	
Repairs and maintenance	284		780	
Telephone	388		373	
Office expenses	630		839	
Travelling and subsistence	26		170	
Legal and professional	126,861		30,963	
Legal fees	4,116		4,083	
Accountancy	1,193		404	
Audit	1,300		1,000	
Bank charges	-		66	
General expenses	282		267	
Subscriptions	481		465	
Depreciation on plant and machinery	62		62	
		<u>151,198</u>		<u>55,832</u>
<b><u>Operating deficit</u></b>	37%	(40,635)	76%	(24,175)
<b><u>Other income and expenses</u></b>				
<b><u>Interest receivable</u></b>				
Bank deposit interest		11,748		16,077
		<u>11,748</u>		<u>16,077</u>
<b><u>Net deficit for the year</u></b>		<u>(28,887)</u>		<u>(8,098)</u>