

Company Registration No. ZC000184

**THE COMPANY OF PROPRIETORS  
OF WHITCHURCH BRIDGE  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**



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# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## COMPANY INFORMATION

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<b>Committee of Management</b>	M J Beckley MA FCCA J L Elkins FFA FMAAT P I FitzGerald BA ACIB M Inst D M J Freeman C T Micklem G R Weir BSc CEng MIMechE
<b>Clerk to the Company</b>	J L Elkins FFA FMAAT
<b>Company number</b>	ZC000184
<b>Registered office</b>	The Toll House Whitchurch Bridge Pangbourne Berkshire RG8 7DF
<b>Auditors</b>	Harwood Hutton 7 Bridge Street Maidenhead Berkshire SL6 8PA
<b>Business address</b>	The Toll House Whitchurch Bridge Pangbourne Berkshire RG8 7DF
<b>Bankers</b>	Barclays Bank plc PO Box No.27 3,4 & 5 King Street Reading Berkshire RG1 2HD
<b>Solicitors</b>	Wilmot & Co 38 Castle Street Cirencester Gloucestershire GL7 1QH

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# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

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# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## REPORT OF THE COMMITTEE OF MANAGEMENT FOR THE YEAR ENDED 30 JUNE 2003

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The Committee of Management presents their report and the financial statements for the year ended 30 June 2003.

### Principal activities

The principal activity of the company continued to be that of the operation of the toll bridge over the River Thames at Whitchurch, Oxfordshire.

The Company is not permitted, by its Acts, to realise the bridge and associated property held, and is committed to maintaining the bridge in perpetuity.

### Review of Activities

The Company reports a year where our revenues have apparently reduced, but only as a result of the introduction of VAT on private toll operators in February 2003. On the same basis as last year, before adjusting for VAT, revenues would have shown an increase as we have continued to maintain the collecting efficiency and tight management controls in conditions of unchanged total number of crossings. It is our policy to continue our meetings with representatives of the four local parish councils. We have continued to operate within a framework of professionalism on our part in running the business, and continued understanding on the part of the community in respect of our commitments and responsibilities for the bridge.

### Toll Operations

Toll income decreased by £8,060 to £167,715 with the effect of VAT deemed to be included on toll fees. Exceptional costs of £30,000 associated with bridge maintenance have brought Operating and Administrative costs to £146,398. This reflects our policy of continuous improvement and maintenance of the Bridge assets to a high standard, as well as increased ongoing maintenance and management costs of the bridge. Excluding exceptional costs, the underlying level of operating expense is unchanged from the previous year. Traffic surveys continued to be carried out to ascertain the volume and value of vehicles, including those allowed to cross free, and this is taken into account in the Company's review process for toll charges.

### Toll Charges and Automation

The last Toll increase was on 1 July 1998 from 8p to 10p for motor cars, together with increases for heavy vehicles. We constantly review performance to our business plan and intend to make an application to the Department of Transport to revise the toll fees in early 2004. We are also reviewing opportunities for partial automation of toll collection, and will be bringing forward plans to introduce this during the coming year.

### Repairs and Renovations

Oxford County Council Bridge Engineering Department has, during the year, continued to carry out planned maintenance and inspections and to advise on Risk Management Strategy and related issues. The year also saw considerable improvements to the piling along the riverbank on each side of the bridge.

### Investments and Taxation

The book value of investments stands at £870,513 with a market value of £907,223. This year has continued to see considerable turbulence in the world markets and the Company portfolio has been affected by this factor in the market value of investments, but we continue to follow a conservative policy, which has helped to protect us from the general market trend. We continue to benefit from exceptional tax adjustments, but this process is now complete and the tax charge will return to normal for the next year.

### Replacement Cost of the Bridge

The June 2003 estimated cost of replacing the bridge is £1.74 million.

### Health and Safety

We continue to take action to comply with Health and Safety obligations.

### Dividends

The Whitchurch Bridge Act 1988 provides for a reasonable return on the Proprietors' investment in the bridge. However, priority must be given to building sufficient funds for repairs and replacement or refurbishment of the bridge. In view of this, the Committee proposes a total ordinary dividend for the year of £800 per share.

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## REPORT OF THE COMMITTEE OF MANAGEMENT FOR THE YEAR ENDED 30 JUNE 2003

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### Committee of Management

The following have held office since 1 July 2002:

M J Beckley MA FCCA  
J L Elkins FFA FMAAT  
P I FitzGerald BA ACIB M Inst D  
M J Freeman  
C T Micklem  
G R Weir BSc Ceng MIMechE

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Harwood Hutton be re-appointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the Committee of Management



J L K Elkins FFA FMAAT  
Clerk to the Company

13 September 2003

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## INDEPENDENT AUDITORS' REPORT

### TO THE SHAREHOLDERS OF THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

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We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies which are set out on page 7.

#### **Respective responsibilities of the directors and auditors**

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom 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 directors' 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 specified by law regarding directors' remuneration and transactions with the company 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.

#### **Basis of audit 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 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.

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 of the state of the company's affairs as at 30 June 2003 and of its profit for the year then ended.

  
Harwood Hutton

Chartered Accountants  
Registered Auditor

14 October 2003

7 Bridge Street  
Maidenhead  
Berkshire  
SL6 8PA

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## REVENUE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2003

	Notes	2003 £	2002 £
Turnover		167,715	175,775
Cost of sales		(110,770)	(135,005)
<b>Gross profit</b>		<b>56,945</b>	<b>40,770</b>
Administrative expenses		(35,628)	(61,155)
Other operating income		3,375	-
<b>Operating profit/(loss)</b>	<b>2</b>	<b>24,692</b>	<b>(20,385)</b>
Investment income	<b>3</b>	18,122	42,970
Other interest receivable and similar income		4,049	4,810
<b>Profit on ordinary activities before taxation</b>		<b>46,863</b>	<b>27,395</b>
Tax on profit on ordinary activities	<b>4</b>	15,954	42,522
<b>Profit on ordinary activities after taxation</b>		<b>62,817</b>	<b>69,917</b>
Dividends		(37,600)	(35,250)
<b>Retained profit for the year</b>	<b>11</b>	<b>25,217</b>	<b>34,667</b>

The revenue account has been prepared on the basis that all operations are continuing operations.

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 JUNE 2003

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	2003 £	2002 £
Profit for the financial year	62,817	69,917
Unrealised surplus on revaluation of properties	84,000	-
<b>Total recognised gains and losses relating to the year</b>	<u>146,817</u>	<u>69,917</u>

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## BALANCE SHEET AS AT 30 JUNE 2003

	Notes	2003		2002	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		777,899		706,985
Investments	6		870,513		875,983
			<u>1,648,412</u>		<u>1,582,968</u>
<b>Current assets</b>					
Stocks		808		1,684	
Debtors	7	84,475		44,698	
Cash at bank and in hand		106,657		104,925	
			<u>191,940</u>	<u>151,307</u>	
<b>Creditors: amounts falling due within one year</b>	8	(112,576)		(95,716)	
<b>Net current assets</b>			<u>79,364</u>		<u>55,591</u>
<b>Total assets less current liabilities</b>			<u>1,727,776</u>		<u>1,638,559</u>
<b>Provisions for liabilities and charges</b>			-		(20,000)
			<u>1,727,776</u>		<u>1,618,559</u>
<b>Capital and reserves</b>					
Called up share capital	10		4,700		4,700
Share premium account	11		5,013		5,013
Revaluation reserve	11		264,000		180,000
Bridge replacement and repairs fund	11		1,454,063		1,428,846
<b>Shareholders' funds - equity interests</b>	12		<u>1,727,776</u>		<u>1,618,559</u>

The financial statements were approved by the Committee on 13 September 2003

  
M J Beckley MA FCCA  
Director

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

#### 1.2 Turnover

Turnover represents amounts receivable for tolls and wayleaves, which became subject to VAT on 1 February 2003, and is therefore stated net of VAT after that date, see note 2.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Bridge	The Bridge is classified as specialised property and is revalued annually on the basis of depreciated replacement cost. Replacement or major refurbishment will take place in 2015.
Toll House	The Toll House was revalued during the year ended 30 June 2000 as a non-specialised property on an existing use basis. The building is subject to depreciation over a useful economic life of 50 years, on a straight line basis. An interim valuation was carried out following guidance under FRS 15 as at 30 June 2003.
Bridge lighting, Toll Booth and equipment	2%, 10% and 20% on cost, depending on category

#### 1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.5 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

2	Operating profit/(loss)	2003	2002
		£	£
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	19,150	22,477
	Auditors' remuneration	4,480	4,850
	Directors' emoluments	24,492	22,824

From 1 February 2003, as a result of a European Court of Justice ruling, tolls became subject to VAT. Therefore, toll income after that date is shown net of VAT. In addition, the company is able to reclaim VAT on expenses incurred after 1 February 2003. Any net liability due to HM Customs and Excise is reclaimable from the Department for Transport and this is shown as 'Other operating income' in the Revenue account. The company has disputed its liability with HM Customs and Excise, who are reviewing the position. Whatever the ruling, there will be no effect on the company's financial position.

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2002 - 1).

3	Investment income	2003	2002
		£	£
	Income from fixed asset investments	18,122	42,970

4	Taxation	2003	2002
		£	£
	<b>Prior years</b>		
	U.K. corporation tax	(15,954)	(42,522)

Following the conclusion of negotiations with the Inland Revenue, the company's income and gains are exempt from corporation tax. Refunds of Corporation Tax previously paid have been obtained.

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

### 5 Tangible fixed assets

	Bridge	Toll House	Bridge lighting, Toll booth and equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 July 2002	193,734	400,000	158,901	752,635
Additions	-	-	7,385	7,385
Revaluation	(8,956)	75,000	-	66,044
Disposals	-	-	(2,979)	(2,979)
At 30 June 2003	184,778	475,000	163,307	823,085
<b>Depreciation</b>				
At 1 July 2002	-	6,000	39,650	45,650
Revaluation	-	(9,000)	-	(9,000)
On disposals	-	-	(1,658)	(1,658)
Charge for the year	-	3,000	7,194	10,194
At 30 June 2003	-	-	45,186	45,186
<b>Net book value</b>				
At 30 June 2003	184,778	475,000	118,121	777,899
At 30 June 2002	193,734	394,000	119,251	706,985

The bridge was valued on a replacement cost basis by Howard Humphreys & Partners Chartered Surveyors in June 1996. This replacement cost has been updated by Oxfordshire County Council Environmental Services to 30 June 2003.

The valuation included in the accounts represents the depreciated replacement cost in accordance with the accounting policy stated in note 1.3. The reduction in value during the year is charged to the profit and loss account.

The Toll House was revalued on an open market basis on 17 February 2000 by Dudley Singleton, Estate Agent and Valuer. Under FRS 15, an interim valuation was carried out as at 30 June 2003 by Dudley Singleton.

The Toll House was built over 200 years ago and the equivalent historic cost and depreciation values would be immaterial at today's date.

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

### 6 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or valuation</b>			
At 1 July 2002	861,973	14,009	875,982
Additions	342,844	268	343,112
Disposals	(334,304)	(14,277)	(348,581)
	<u>870,513</u>	<u>-</u>	<u>870,513</u>
	Market value £	Valuation £	Market value £
At 30 June 2003	<u>907,223</u>	<u>-</u>	<u>907,223</u>
At 30 June 2002	<u>939,437</u>	<u>14,009</u>	<u>953,446</u>

7 Debtors	2003 £	2002 £
Other debtors	<u>84,475</u>	<u>44,698</u>

8 Creditors: amounts falling due within one year	2003 £	2002 £
Trade creditors	40,068	3,158
Amounts owed to group undertakings and undertakings in which the company has a participating interest	43,960	36,216
Taxation and social security	3,375	578
Other creditors	25,173	55,764
	<u>112,576</u>	<u>95,716</u>

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

### 9 Pension costs

#### Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2003 £	2002 £
Contributions payable by the company for the year	1,692	1,644

### 10 Share capital

	2003 £	2002 £
<b>Authorised</b>		
47 Ordinary shares of £ 100 each	4,700	4,700
<b>Allotted, called up and fully paid</b>		
47 Ordinary shares of £ 100 each	4,700	4,700

### 11 Statement of movements on reserves

	Share premium account £	Revaluation reserve £	Bridge replacement and repairs fund £	Profit and loss account £
Balance at 1 July 2002	5,013	180,000	1,428,846	-
Retained profit for the year	-	-	-	25,217
Revaluation during the year	-	84,000	-	-
Movement during the year	-	-	25,217	(25,217)
Balance at 30 June 2003	5,013	264,000	1,454,063	-

The updated cost estimate at 30 June 2003 for replacement of the bridge, together with associated works is £1,740,000 (2002 £1,684,000).

# THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

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12 Reconciliation of movements in shareholders' funds	2003	2002
	£	£
Profit for the financial year	62,817	69,915
Dividends	(37,600)	(35,250)
	<hr/>	<hr/>
	25,217	34,665
Other recognised gains and losses	84,000	-
	<hr/>	<hr/>
Net addition to shareholders' funds	109,217	34,665
Opening shareholders' funds	1,618,559	1,583,894
	<hr/>	<hr/>
Closing shareholders' funds	<u>1,727,776</u>	<u>1,618,559</u>

### 13 Control

The ultimate controlling party is Whitchurch Bridge (Holdings) Limited, a company incorporated in England and Wales.

### 14 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.