

Company Registration No. ZC000184

**THE COMPANY OF PROPRIETORS
OF WHITCHURCH BRIDGE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**



THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

COMPANY INFORMATION

Committee of Management	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
Clerk to the Company	J L Elkins FFA FMAAT
Company number	ZC000184
Registered office	The Toll House Whitchurch Bridge Pangbourne Berkshire RG8 7DF
Auditors	Harwood Hutton 7 Bridge Street Maidenhead Berkshire SL6 8PA
Business address	The Toll House Whitchurch Bridge Pangbourne Berkshire RG8 7DF
Bankers	Barclays Bank plc PO Box No.27 3,4 & 5 King Street Reading Berkshire RG1 2HD
Solicitors	Wilmot & Co 38 Castle Street Cirencester Gloucestershire GL7 1QH

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 2004

The Committee of Management presents their report and the financial statements for the year ended 30 June 2004.

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 been maintained on almost unchanged traffic volumes. Last year's figures have been adjusted to remove the VAT element after the introduction of VAT on private toll operators in February 2003. We have been allowed to de-register whilst our case is being considered for exemption. 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 increased by £4,135 to £183,024. This continues to reflect an improvement showing the effect of maintaining tight management controls. Exceptional costs associated with the bridge, has brought Operating and Administrative costs to £171,140. 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. Traffic monitoring and surveys continued to be carried out to ascertain the volume and value of vehicles, including those crossing free, and this is taken into account in the Company's review process for toll charges. Additional professional costs have been incurred in progressing our part automation plans, which are an important factor in the future.

Toll Charges

The last Toll increase was on 1st July 1998 from 8p to 10p for motor cars, together with increases for heavy vehicles. We constantly review performance to our business plan and have made an application to the Department of Transport to revise the toll fees.

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 a principal inspection carried out which confirmed the good condition of the bridge and identified some remedial work, now planned for next year.

Investments

The book value of investments stands at £959,629 with a market value of £1,058,663. This represents 59% of the current estimated replacement cost of the Bridge.

Replacement cost of the Bridge

The June 2004 estimated cost of replacing the bridge is £1.79 million.

Health and Safety

We continue to take action to comply with Health & 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 £640 per share. This amount is lower than last year in order to conserve cash within the Company at a time of uncertainty and considerable expense.

THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

REPORT OF THE COMMITTEE OF MANAGEMENT FOR THE YEAR ENDED 30 JUNE 2004

Committee of Management

The following have held office since 1 July 2003:

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

11 September 2004

THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

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 2004 and of its profit for the year then ended.


Harwood Winton

Chartered Accountants
Registered Auditor

5 October 2004

7 Bridge Street
Maidenhead
Berkshire
SL6 8PA

THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

REVENUE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2004

		2004	2003
	Notes	£	as restated £
Turnover		183,024	178,889
Cost of sales		(110,725)	(116,610)
Gross profit		<u>72,299</u>	<u>62,279</u>
Administrative expenses		(60,415)	(37,587)
Operating profit	2	<u>11,884</u>	<u>24,692</u>
Investment income	3	18,363	18,122
Other interest receivable and similar income		2,010	4,049
Profit on ordinary activities before taxation		<u>32,257</u>	<u>46,863</u>
Tax on profit on ordinary activities	4	-	15,954
Profit on ordinary activities after taxation		<u>32,257</u>	<u>62,817</u>
Dividends		(30,080)	(37,600)
Retained profit for the year	11	<u>2,177</u>	<u>25,217</u>

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 2004

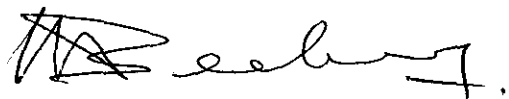
	2004 £	2003 £
Profit for the financial year	32,257	62,817
Unrealised (deficit)/surplus on revaluation of properties	-	84,000
Total recognised gains and losses relating to the year	<u>32,257</u>	<u>146,817</u>

THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

BALANCE SHEET AS AT 30 JUNE 2004

	Notes	2004		2003 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	5		766,327		777,899
Investments	6		959,629		870,513
			<u>1,725,956</u>		<u>1,648,412</u>
Current assets					
Stocks		504		808	
Debtors	7	36,085		81,100	
Cash at bank and in hand		59,177		106,657	
		<u>95,766</u>		<u>188,565</u>	
Creditors: amounts falling due within one year	8	<u>(91,769)</u>		<u>(109,201)</u>	
Net current assets			<u>3,997</u>		<u>79,364</u>
Total assets less current liabilities			<u><u>1,729,953</u></u>		<u><u>1,727,776</u></u>
Capital and reserves					
Called up share capital	10		4,700		4,700
Share premium account	11		5,013		5,013
Revaluation reserve	11		264,000		264,000
Bridge replacement and repairs fund	11		1,456,240		1,454,063
Shareholders' funds - equity interests	12		<u><u>1,729,953</u></u>		<u><u>1,727,776</u></u>

The financial statements were approved by the Committee on 11 September 2004



M J Beckley MA FCCA
Director

THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

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.

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 is scheduled to 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.

1.7 Taxation

The company is exempt from Corporation Tax by virtue of its incorporating statutes.

2 Operating profit	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	22,404	19,150
Auditors' remuneration	5,651	4,480
Directors' emoluments	24,429	22,824
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2003- 1).

THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

3	Investment income	2004	2003
		£	£
	Income from fixed asset investments	18,363	18,122
	Bank interest	1,314	1,292
	Other interest	696	2,757
		<u>20,373</u>	<u>22,171</u>
		<u>20,373</u>	<u>22,171</u>
4	Taxation	2004	2003
		£	£
	Prior years		
	U.K. corporation tax	-	(15,954)
		<u>-</u>	<u>(15,954)</u>

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 2004

5 Tangible fixed assets

	Bridge	Toll House	Bridge lighting, Toll booth and equipment	Total
	£	£	£	£
Cost or valuation				
At 1 July 2003	184,778	475,000	163,307	823,085
Additions	-	-	10,831	10,831
Revaluation	(10,496)	-	-	(10,496)
At 30 June 2004	174,282	475,000	174,138	823,420
Depreciation				
At 1 July 2003	-	-	45,186	45,186
Charge for the year	-	3,370	8,537	11,907
At 30 June 2004	-	3,370	53,723	57,093
Net book value				
At 30 June 2004	174,282	471,630	120,415	766,327
At 30 June 2003	184,778	475,000	118,121	777,899

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 2004.

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 2004

6 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 July 2003	870,513
Additions	311,114
Disposals	(221,998)
	<u>959,629</u>
At 30 June 2004	<u>959,629</u>
	Market value £
At 30 June 2004	<u>1,058,663</u>
At 30 June 2003	<u>907,223</u>

7 Debtors	2004 £	2003 £
Other debtors	<u>36,085</u>	<u>81,100</u>

8 Creditors: amounts falling due within one year	2004 £	2003 £
Trade creditors	27,336	40,068
Amounts owed to group undertakings and undertakings in which the company has a participating interest	50,135	43,960
Taxation and social security	865	-
Other creditors	13,433	25,173
	<u>91,769</u>	<u>109,201</u>

THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

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.

	2004 £	2003 £
Contributions payable by the company for the year	1,692	1,692

10 Share capital

	2004 £	2003 £
Authorised		
47 Ordinary shares of £100 each	4,700	4,700
Allotted, called up and fully paid		
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 2003	5,013	264,000	1,454,063	-
Retained profit for the year	-	-	-	2,177
Movement during the year	-	-	2,177	(2,177)
Balance at 30 June 2004	5,013	264,000	1,456,240	-

The updated cost estimate at 30 June 2004 for replacement of the bridge, together with associated works is £1,790,000 (2003 £1,740,000).

THE COMPANY OF PROPRIETORS OF WHITCHURCH BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

12 Reconciliation of movements in shareholders' funds	2004	2003
	£	£
Profit for the financial year	32,257	62,817
Dividends	(30,080)	(37,600)
	<hr/>	<hr/>
	2,177	25,217
Other recognised gains and losses	-	84,000
	<hr/>	<hr/>
Net addition to shareholders' funds	2,177	109,217
Opening shareholders' funds	1,727,776	1,618,559
	<hr/>	<hr/>
Closing shareholders' funds	1,729,953	1,727,776
	<hr/> <hr/>	<hr/> <hr/>

Prior year adjustment to comparative amounts

From 1 February 2003, as a result of a European Court of Justice ruling, tolls became subject to VAT. The company has disputed its liability with HM Customs and Excise, who are reviewing the position. Toll income and expenses after 1 February 2003 were previously shown net of VAT in the prior year accounts with the net liability, which was claimable from the Department for Transport, being shown as 'Other Operating Income' in the revenue account. Following advice, the company de-registered for VAT as from 31 January 2003 and has restated the comparative figures to reflect this action.

Following this restatement, and whatever the final outcome of the ruling, there will be no effect on the company's financial position.

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.