

REGISTERED NUMBER: 00690539 (England and Wales)

Financial Statements

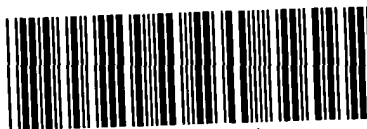
for the Year Ended

30 September 2018

for

Jack Lunn (Properties) Limited

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for the Year Ended 30 September 2018**

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Jack Lunn (Properties) Limited

**Company Information
for the Year Ended 30 September 2018**

DIRECTORS:

R Lunn
A Lunn ACIOB
C B Wright BSc (Hons) MRICS
R J Brown FCA

SECRETARY:

P McAteer ACA

REGISTERED OFFICE:

Windsor House
Cornwall Road
Harrogate
North Yorkshire
HG1 2PW

REGISTERED NUMBER:

00690539 (England and Wales)

AUDITORS:

Kirk Newsholme
Chartered Accountants and Statutory Auditors
4315 Park Approach
Thorpe Park
Leeds
West Yorkshire
LS15 8GB

Jack Lunn (Properties) Limited (Registered number: 00690539)**Balance Sheet
30 September 2018**

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	4	447	-
Investments	5	1,810,570	1,828,992
Investment property	6	21,725,003	24,669,003
		<u>23,536,020</u>	<u>26,497,995</u>
CURRENT ASSETS			
Stocks		152,960	-
Debtors	7	4,122,908	2,104,962
Cash at bank and in hand		227,049	249,953
		<u>4,502,917</u>	<u>2,354,915</u>
CREDITORS			
Amounts falling due within one year	8	1,106,420	2,533,972
NET CURRENT ASSETS/(LIABILITIES)		<u>3,396,497</u>	<u>(179,057)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>26,932,517</u>	<u>26,318,938</u>
CREDITORS			
Amounts falling due after more than one year	9	(4,146,485)	(4,633,059)
PROVISIONS FOR LIABILITIES	12	<u>(299,342)</u>	<u>(385,033)</u>
NET ASSETS		<u><u>22,486,690</u></u>	<u><u>21,300,846</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	7,000,000	7,000,000
Retained earnings	14	15,486,690	14,300,846
SHAREHOLDERS' FUNDS		<u><u>22,486,690</u></u>	<u><u>21,300,846</u></u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors on 24 January 2019 and were signed on its behalf by:



R Lunn - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 30 September 2018**

1. STATUTORY INFORMATION

Jack Lunn (Properties) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in UK and Republic of Ireland" and the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to give a true and fair view.

The financial statements have been prepared under the historical cost convention modified to include certain items at fair value.

The functional and presentational currency of the company is considered to be pounds sterling.

Turnover

Gross turnover represents rents receivable from investment property together with the company's share of the sale of residential homes in joint ventures.

Rental lease income is recognised over the term of the lease. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

The share of turnover from the sale of residential homes is recognised at the fair value of the consideration received on legal completion of sales, net of incentives. Turnover from land sales is recognised on the unconditional exchange of contracts.

Tangible fixed assets

Tangible fixed assets are stated at purchase cost together with any incidental expenses of acquisition, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible assets, other than investment properties, at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life.

Fixtures and fittings	33% on cost
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Residual value represents the estimated amount which would currently be obtained from disposal of an asset after deducting estimated costs of disposal, if the asset were already at an age and in the condition expected at the end of its estimated useful life.

The need for any fixed asset impairment write down is assessed by comparison of the carrying value of the assets against the higher of realisable value and value in use.

The gain or loss arising on the disposal of an asset is determined on the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Investment property

Investment property for which fair value can be measured reliably without undue cost or effort on an ongoing basis is measured at fair value annually with any change recognised in the profit and loss account.

Stocks

Land and work in progress is stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to net realisable value. Costs for this purpose comprises the purchase cost of land, associated direct costs, and costs of development including interest.

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

2. ACCOUNTING POLICIES - continued

Taxation

Current tax, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to the reversal of the timing difference. Deferred tax relating to investment property is measured using tax rates and allowances that apply should the investment property be sold.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such basis.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Where material, the cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The following assets and liabilities are classified as basic financial instruments - trade debtors, cash at bank, trade creditors, other creditors, bank loans and intercompany balances.

Trade debtors, cash at bank, trade creditors other creditors and intercompany balances (being repayable on demand) are measured at the amortised cost equivalent to the undiscounted amount of cash or other consideration expected to be paid or received.

Bank loans are initially measured at the present value of future payments, discounted at a market rate of interest and subsequently measured at amortised cost using the effective interest method.

Investments

Investments in joint ventures are measured at cost less impairment.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss as described below.

Non financial assets

An asset is impaired when there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had the impairment loss not been recognised.

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

2. ACCOUNTING POLICIES - continued

Critical accounting judgements and sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgements that the directors have made in applying the company's accounting policies and the key sources of estimation uncertainty that have had the most significant effect on the amounts recognised in the financial statements are described below:

Investment property

The company makes an estimate of the fair value of investment property at each reporting date. The directors undertake a review of the property portfolio at each reporting date to assess whether the fair value has changed significantly since the previous reporting date. When assessing the fair values, management considers current commercial and retail property trends and rental yields.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2017 - 2).

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 October 2017	18,308
Additions	670
Disposals	(13,422)
At 30 September 2018	5,556
DEPRECIATION	
At 1 October 2017	18,308
Charge for year	223
Eliminated on disposal	(13,422)
At 30 September 2018	5,109
NET BOOK VALUE	
At 30 September 2018	447
At 30 September 2017	-

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

5. FIXED ASSET INVESTMENTS

	2018 £	2017 £
Investment in joint venture	333	333
Loans to joint venture	1,810,237	1,828,659
	<u>1,810,570</u>	<u>1,828,992</u>

Additional information is as follows:

	Interest in joint venture £
COST	
At 1 October 2017 and 30 September 2018	<u>333</u>
NET BOOK VALUE	
At 30 September 2018	<u>333</u>
At 30 September 2017	<u>333</u>
	Loan to joint venture £
At 1 October 2017 Repayment in year	<u>1,828,659</u> <u>(18,422)</u>
At 30 September 2018	<u>1,810,237</u>

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 October 2017	24,669,003
Additions	234
Disposals	(2,644,000)
Fair value adjustments	<u>(300,234)</u>
At 30 September 2018	<u>21,725,003</u>
NET BOOK VALUE	
At 30 September 2018	<u>21,725,003</u>
At 30 September 2017	<u>24,669,003</u>

The historical cost of freehold investment properties is:

	2018 £	2017 £
Cost	<u>20,023,654</u>	<u>22,525,180</u>

The investment properties held at 30 September 2018 were valued on an open market basis by an officer of the company who is qualified as a Chartered Surveyor.

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	58,523	123,372
Amounts owed by group undertakings	2,329,059	823,352
Amounts owed by associated undertakings	1,549,699	897,707
Other debtors	185,627	260,531
	<u>4,122,908</u>	<u>2,104,962</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts	486,574	480,513
Trade creditors	32,357	36,107
Amounts owed to group undertakings	2,046	1,388,576
Taxation and social security	201,054	185,255
Other creditors	384,389	443,521
	<u>1,106,420</u>	<u>2,533,972</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans	<u>4,146,485</u>	<u>4,633,059</u>

10. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Within one year	15,305	32,765
Between one and five years	15,653	74,448
	<u>30,958</u>	<u>107,213</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2018 £	2017 £
Bank loans	<u>4,633,059</u>	<u>5,113,572</u>

Bank loans and overdrafts are secured by a fixed and floating charge over the assets and undertakings of the company and the group by way of cross guarantee or by fixed charges over certain properties held in the company.

12. PROVISIONS FOR LIABILITIES

	2018 £	2017 £
Deferred tax	<u>299,342</u>	<u>385,033</u>

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

12. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 October 2017	385,033
Credit to Income Statement during year	(85,691)
Balance at 30 September 2018	<u>299,342</u>

	2018 £	2017 £
Accelerated capital allowances	<u>299,342</u>	<u>385,033</u>

Deferred tax has been recognised at a rate of 19% (2017 - 19%) based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2018 £	2017 £
7,000,000	Ordinary shares	£1	<u>7,000,000</u>	<u>7,000,000</u>

14. RESERVES

At 30 September 2018 within retained earnings is a non-distributable amount of £1,701,352 (2017 - £2,143,828) relating to fair value adjustments to investment property.

15. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Neill Rayland BA FCA (Senior Statutory Auditor)
for and on behalf of Kirk Newsholme

16. CONTINGENT LIABILITIES

The group, and its connected companies have entered into performance bonds in the normal course of business which have been guaranteed by the group's insurers to a total of £926,181 (2017 - £581,078).

17. ULTIMATE PARENT COMPANY

The parent company is Jack Lunn (Holdings) Limited, a company registered in England and Wales. The registered office of Jack Lunn (Holdings) Limited is Windsor House, Cornwall Road, Harrogate, North Yorkshire, HG1 2PW.