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REGISTRARS

JACK LUNN (PROPERTIES) LIMITED

DIRECTORS' REPORT AND ACCOUNTS
for the year ended
30 APRIL 1982



DIRECTORS

J. Lunn Chairman

H. Lunn

R. Lunn

D. Lunn

G. Lunn

SECRETARY AND REGISTERED OFFICE

H. Lunn, Progress House, 99 Bradford Road, Pudsey LS28 6AT

AUDITORS

Binder Hamlyn, Chartered Accountants,
Tower House, Merrion Way, Leeds LS2 8HU

BANKERS

Barclays Bank PLC, 1 Manor House Street, Low Town, Pudsey
LS28 7BH

Notice is given that the Twentieth Annual General Meeting of the company will be held at Cedar Gables, 1 Springwood Road, Off Oakwood Lane, Leeds LS8 2QA on Monday 22 November 1982 at 8.15 p.m. for the following purposes :

- To receive and adopt the report of the directors and statement of accounts for the year ended 30 April 1982 together with the report of the auditors.
- To approve directors' remuneration
- To re-elect as directors
J. Lunn
G. Lunn
- To re-appoint Binder Hamlyn, as auditors and to authorise the directors to fix their remuneration for the ensuing year.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the company.

By order of the board

Secretary

25 October 1982

X H.L.
H. Lunn.

JACK LUNN (PROPERTIES) LIMITED

REPORT OF THE DIRECTORS

Accounts

The directors present their report and audited accounts for the year ended 30 April 1982.

Activities

The principal activity of the company is the letting of furnished and unfurnished property.

State of Affairs

The state of the company's affairs is as set out in the accounts on pages 6 to 12.

The directors do not recommend payment of a dividend for the year ended 30 April 1982.

Tax Status

In the opinion of the directors the company is a close company within the meaning of Section 282 Income and Corporation Taxes Act 1970.

Fixed Assets

Details of changes in fixed assets are given in note 5 to the accounts. In the opinion of the directors the market value of interests in land including buildings held as fixed assets at 30 April 1982 exceeded its book value by £650,000.

Directors

The members of the board had no interests in the shares of this company. Their interests in the shares of the holding company, Jack Lunn (Holdings) Limited, are shown in that company's accounts.

J. Lunn and G. Lunn retire by rotation at the annual general meeting and being eligible, offer themselves and are recommended for re-election.

Auditors

The auditors, Binder Hamlyn, offer themselves and are recommended, for re-appointment under the provisions of Section 14(1) Companies Act 1976.

On behalf of the board

Chairman



25 October 1982

REPORT OF THE AUDITORS TO THE MEMBERS OF

JACK LUNN (PROPERTIES) LIMITED

We have audited the accounts on pages 6 to 12 in accordance with approved Auditing Standards.

The accounts have been prepared under the historical cost convention. Freehold properties costing £487,728 were revalued by the directors during the year ended 30 April 1980, at a current market value of, £1,090,999 on an existing use basis, upon which we are unable to give an opinion.

Subject to this in our opinion the accounts give a true and fair view of the state of the company's affairs at 30 April 1982 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

CHARTERED ACCOUNTANTS

25 October 1982

JACK LOWN (PROPERTIES) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 1982

	Notes	£	1982 £	£	1981 £
Net rental income before tax			17,683		(1,558)
after charging:					
Directors' remuneration	2	25,000		8,000	
Auditors' remuneration		1,650		1,500	
Depreciation		45		50	
Interest	3	110,817		93,971	
			<u>110,817</u>	<u>93,971</u>	
Tax	4		7,627		(811)
Profit (loss) after tax			<u>10,056</u>		<u>(747)</u>

The notes on pages 9 to 12 form part of these accounts.

* BALANCE SHEET AT 30 APRIL 1982

	Notes	1982 £	1981 £
EMPLOYMENT OF CAPITAL			
Fixed assets	5	1,699,560	1,690,555
Current assets			
Debtors		<u>5,825</u>	<u>2,304</u>
Deduct current liabilities			
Creditors	6	124,345	82,924
Amounts due to fellow subsidiaries		5,199	327,094
Bank overdraft (secured)		383,308	101,439
Tax		<u>7,488</u>	<u>-</u>
		<u>520,340</u>	<u>511,457</u>
Excess of current liabilities over current assets		(514,515)	(509,153)
Deferred tax		<u>3,696</u>	<u>3,835</u>
		<u>1,188,741</u>	<u>1,185,237</u>
CAPITAL EMPLOYED			
Share capital	7	5,000	5,000
Reserves	8	<u>738,956</u>	<u>728,900</u>
Shareholders funds		743,956	733,900
Loans (secured)	9	<u>444,785</u>	<u>451,337</u>
		<u>1,188,741</u>	<u>1,185,237</u>

Signed on behalf of the board

Jack Jones
Robert Jones

Directors

The notes on pages 9 to 12 form part of these accounts.

JACK LUCE (PROPERTIES) LIMITED

* STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 30 APRIL 1982

	1982		1981	
	£	£	£	£
Sources				
Profit (loss) before tax		17,683		(1,558)
Adjustment for item not involving the movement of funds:				
Depreciation		45		50
		<u>17,728</u>		<u>(1,508)</u>
Funds generated from (absorbed by) trading		17,728		(1,508)
Loans received		-		400,000
		<u>17,728</u>		<u>398,492</u>
Applications				
Loans repaid	(3,078)		(1,500)	
Purchase of fixed assets	(9,050)		(212,015)	
		<u>(12,128)</u>		<u>(213,515)</u>
		5,600		184,977
(Increase) decrease in working capital				
Group	(321,895)		212,336	
Debtors	(3,521)		(551)	
Creditors	37,947		3,041	
		<u>(287,469)</u>		<u>214,826</u>
(Increase) decrease in short term borrowing		<u>(281,869)</u>		<u>399,803</u>
Reflected in:				
Bank overdraft (increase) decrease		<u>(281,869)</u>		<u>399,803</u>

The notes on pages 9 to 12 form part of these accounts.

JACK LUMI (PROPERTIES) LIMITED

* NOTES ON THE ACCOUNTS

1 Accounting policies

Fixed assets and depreciation

Freehold and longterm leasehold land and buildings are shown at cost or valuation, no depreciation being provided thereon.

Plant and equipment is stated at cost less accumulated depreciation calculated at a rate estimated to write off the assets over their expected useful lives, the rate applied being 10% on a reducing balance basis.

Deferred tax

Provision is made using the liability method for corporation tax at 52% on the excess of the book values of fixed assets qualifying for tax allowances over their tax values reduced by temporary timing differences arising on interest payable.

No provision is made for any tax liability which might arise if the properties included in fixed assets were disposed of at the amounts at which they are stated in the accounts.

2	Directors' remuneration	1982 £	1981 £
	Chairman	5,000	1,500
	Highest paid director	5,000	2,000
	Other directors	Number	Number
	0 - £5,000	3	3
3	Interest	£	£
	On bank overdrafts	41,275	49,859
	On other loans	69,542	44,112
		<u>110,817</u>	<u>93,971</u>

JACK LIDD (PROPERTIES) LIMITED

NOTES ON THE ACCOUNTS

	1982 £	1981 £
4 Tax		
On the loss for the year		
United Kingdom corporation tax at 40%	7,488	-
Transfer to (from) deferred tax	139	(2,784)
Group relief from corporation tax at 52% surrendered by fellow subsidiary	-	1,973
	<u>7,627</u>	<u>(811)</u>
Payable as follows:	£	£
Corporation tax: within 12 months of the balance sheet date	<u>7,488</u>	<u>-</u>
Deferred		
By capital allowances as reduced by temporary timing differences on interest payable	<u>(3,696)</u>	<u>(3,835)</u>

In the event of the properties included in fixed assets being disposed of at the figures at which they are stated in the balance sheet, the potential tax would be approximately £181,000.

5 Fixed assets	Freehold land and buildings	Long term Leasehold land and buildings	Plant and equipment	Total
Cost or valuation	£	£	£	£
At 1 May 1981	1,688,940	1,166	1,805	1,691,911
Additions	6,008	3,542	-	9,550
Disposals	(500)	-	-	(500)
At 30 April 1982	<u>1,694,448</u>	<u>4,708</u>	<u>1,805</u>	<u>1,700,961</u>
Cost	603,449	4,708	1,805	609,962
Valuation at 30 April 1980	<u>1,090,999</u>	<u>-</u>	<u>-</u>	<u>1,090,999</u>
Depreciation				
At 1 May 1981	-	-	1,356	1,356
Charge for year	-	-	45	45
At 30 April 1982	<u>-</u>	<u>-</u>	<u>1,401</u>	<u>1,401</u>
Net book value	<u>1,694,448</u>	<u>4,708</u>	<u>404</u>	<u>1,699,560</u>

Capital expenditure authorised by the directors but not provided for amounts to £450,000 (1981 £130,000)

JACK LOWN (PROPERTIES) LIMITED

NOTES ON THE ACCOUNTS

	1982 £	1981 £
6 Creditors		
Creditors and accrued expenses	77,373	44,918
Directors	41,998	36,506
Loans (note 9)	4,974	1,500
	<u>124,345</u>	<u>82,924</u>

7 Share capital	Authorised, issued and fully paid 1982 and 1981 £
Ordinary shares of £1 each	<u>5,000</u>

8 Reserves	£
At 1 May 1981	728,900
Retained profit for year	<u>10,056</u>
At 30 April 1982	<u>738,956</u>
Made up of:	
Retained earnings	135,685
Unrealised surplus on revaluation of assets	<u>603,271</u>
	<u>738,956</u>

JACK LUNN (PROPERTIES) LIMITED

NOTES ON THE ACCOUNTS

9	Loans (secured)	1982 £	1981 £
	Long term		
	Halifax Building Society repayable over 7 years	28,950	31,092
	Bradford and Bingley Building Society repayable over 8 years	20,809	21,745
	Royal Liver Friendly Society repayable over 8 years	400,000	400,000
		<u>449,759</u>	<u>452,837</u>
	Less repayments due within 12 months (note 6)	4,974	1,500
		<u>444,785</u>	<u>451,337</u>

Both Building Society loans are repayable with interest at the effective ruling mortgage rate. Interest on the Royal Liver loan is fixed at 15.5%.

10 Contingent liabilities

There is a charge on the assets of the company under a cross guarantee and debenture to secure the liabilities to Barclays Bank PLC of Jack Lunn & Co Limited, Jack Lunn (Holdings) Limited, Jack Lunn & Sons (Joinery) Limited and Jack Lunn (Leeds) Limited amounting to £124.663.

11 Ultimate holding company

Jack Lunn (Holdings) Limited incorporated in England is regarded by the directors as being the company's ultimate holding company.

12 Preparation of accounts

The accounts relate to a period to which the accounting provisions of the Companies Act 1981 do not relate. Consequently they have been drawn up in compliance with section 149A of and Schedule 8A to the Companies Act 1948.

13 Approval of accounts

These accounts were approved at a directors' meeting held on 25 October 1982.