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REGISTRARS

JACK LUNN (HOLDINGS) LIMITED

DIRECTORS' REPORT AND ACCOUNTS  
for the year ended  
30 APRIL 1983



JACK LUNN (HOLDINGS) LIMITED

DIRECTORS

J. Lunn            Chairman

H. Lunn

R. Lunn

G. Lunn

D. Lunn

F.J. Fullerton F.C.A.    (appointed 1 May 1983)

SECRETARY AND REGISTERED OFFICE

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

AUDITORS

Binder Hamlyn, Chartered Accountants,  
Number Twenty-One, Queen Street, Leeds LS1 2TW

BANKERS

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

JACK LUNN (HOLDINGS) LIMITED

Notice is given that the Third Annual General Meeting of the company will be held at Cedar Gables, 1 Springwood Road, Off Oakwood Lane, Leeds LS8 2QA on Thursday 13 October 1983 at 9.30 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 1983 together with the report of the auditors.

To re-elect as directors

R. Lunn  
G. Lunn  
F.J. Fullerton F.C.A.

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

X   
Secretary

12 September 1983

# JACK LUNN (HOLDINGS) LIMITED

## REPORT OF THE DIRECTORS

### Accounts

The directors present their report and audited accounts for the year ended 30 April 1983.

### Activities

The principal activities of the group are those of building, contracting and the letting of furnished and unfurnished properties.

### State of Affairs

The state of the group's and company's affairs is as set out in the accounts on pages 7 to 17.

The directors do not recommend payment of a dividend for the year ended 30 April 1983.

### 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.

### Investment properties

The group's investment properties were revalued by the directors as at 30 April 1983 on an open market basis. Details of this are shown in note 5 to the accounts.

### Fixed Assets

Details of changes in fixed assets are given in note 6 to the accounts.

### Directors

The members of the board and their respective interests in the shares of the company as disclosed in the company's register of directors' share interests, were as stated below. These interests were all beneficially held.

		Number held
		30 April 1983 and 1 May 1982
J. Lunn	Ordinary	1,125
H. Lunn	Ordinary	1,375
R. Lunn	Ordinary	7,500
G. Lunn	Ordinary	7,500
D. Lunn	Ordinary	7,500

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

F.J. Fullerton who was appointed since the last annual general meeting, retires and being eligible offers himself and is recommended for re-election.

: JACK LUNN (HOLDINGS) LIMITED

REPORT OF THE DIRECTORS cont..

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

12 September 1983

REPORT OF THE AUDITORS TO THE MEMBERS OF

JACK LUNN (HOLDINGS) LIMITED

We have audited the accounts on pages 7 to 17 in accordance with approved auditing standards.

In our opinion the accounts, which have been prepared under the historical cost convention, as modified by the revaluation of investment and freehold properties, give a true and fair view of the state of affairs of both the company and group at 30 April 1983 and of the profit and source and application of funds of the group for the year then ended and comply with the Companies Acts 1948 to 1981.

*Bruce Hamlyn*

CHARTERED ACCOUNTANTS

12 September 1983

# JACK LUNN (HOLDINGS) LIMITED

## GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 1983

	Notes	1983 £	1982 £
Turnover	1	<u>3,381,854</u>	<u>2,779,446</u>
Profit before tax		257,819	219,344
after charging:			
Directors' emoluments	2	144,150	148,450
Auditors' remuneration		9,200	8,725
Depreciation	6	31,236	32,691
Hire of plant and equipment		57,753	51,985
Interest	3	<u>125,807</u>	<u>125,897</u>
after crediting:			
Net rental income		<u>69,695</u>	<u>72,809</u>
Tax	4	<u>36,694</u>	<u>31,098</u>
Profit after tax attributable to the members of Jack Lunn (Holdings) Limited	12	<u>221,125</u>	<u>188,246</u>

None of the profit attributable to the members of Jack Lunn (Holdings) Limited has been dealt with in the accounts of that company.

The notes on pages 11 to 17 form part of these accounts.

JACK LUNN (HOLDINGS) LIMITED

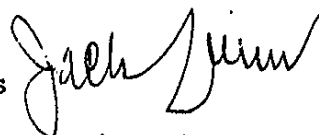
GROUP BALANCE SHEET AT 30 APRIL 1983

	Notes	1983 £	1982 £
<b>EMPLOYMENT OF CAPITAL</b>			
Investment properties	5	2,635,049	1,560,571
Fixed assets	6	233,729	190,579
Current assets			
Stock and work in progress	8	872,757	1,380,391
Land bank		461,212	537,951
Debtors	9	350,565	289,088
Cash		436	729
		<u>1,684,970</u>	<u>2,208,159</u>
Deduct current liabilities			
Creditors	10	725,443	686,216
Bank overdraft (secured)		282,816	507,972
Tax	4	47,257	36,347
		<u>1,055,516</u>	<u>1,230,535</u>
Net current assets		629,454	977,624
Deferred tax	4	(188)	3,524
		<u>3,498,044</u>	<u>2,732,298</u>
<b>CAPITAL EMPLOYED</b>			
Share capital	11	25,000	25,000
Reserves	12	3,033,000	2,262,513
Shareholders' funds		<u>3,058,000</u>	<u>2,287,513</u>
Loans (secured)	13	440,044	444,785
		<u>3,498,044</u>	<u>2,732,298</u>

Signed on behalf of the board



Directors



The notes on pages 11 to 17 form part of these accounts.



JACK LUNN (HOLDINGS) LIMITED

BALANCE SHEET AT 30 APRIL 1983

	Notes	1983 £	1982 £
EMPLOYMENT OF CAPITAL			
Interests in subsidiary companies	7	<u>24,000</u>	<u>24,000</u>
CAPITAL EMPLOYED			
Share capital	11	25,000	25,000
Accumulated losses		<u>(1,000)</u>	<u>(1,000)</u>
		<u>24,000</u>	<u>24,000</u>

Signed on behalf of the board

Directors

The notes on pages 11 to 17 form part of these accounts.

*Jack Lunn*  
*Exaham*

JACK LUNN (HOLDINGS) LIMITED

STATEMENT OF GROUP SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED  
30 APRIL 1983

	1983	1982
	£	£
<b>Sources</b>		
Profit before tax	257,819	219,344
Adjustment for items not involving the movement of funds:		
Depreciation	31,236	32,691
Loss on sale of fixed assets	2,863	7,213
	<u>291,918</u>	<u>259,248</u>
Funds generated from trading	6,120	12,064
Sale proceeds of fixed assets	<u>298,038</u>	<u>271,312</u>
<b>Applications</b>		
Tax paid	(22,072)	-
Purchase of fixed assets	(608,485)	(48,066)
Loans repaid	(4,230)	(3,078)
	<u>(634,787)</u>	<u>(51,144)</u>
	(336,749)	220,168
<b>Decrease (increase) in working capital</b>		
Stock and work in progress	507,634	(412,816)
Land bank	76,739	41,326
Debtors	(61,477)	13,292
Creditors	38,716	96,383
	<u>561,612</u>	<u>(261,815)</u>
<b>Increase (decrease) in net liquid funds</b>	<u>224,863</u>	<u>(41,647)</u>
<b>Reflected in:</b>		
Bank overdraft decrease (increase)	225,156	(41,769)
Cash (decrease) increase	(293)	122
	<u>224,863</u>	<u>(41,647)</u>

The notes on pages 11 to 17 form part of these accounts.

# JACK LUNN (HOLDINGS) LIMITED

## NOTES ON THE ACCOUNTS

### 1 Accounting policies

#### Basis of accounting

These accounts have been prepared on the historical cost basis as modified by the revaluation of investment and freehold properties.

#### Consolidation

The group accounts are the result of the consolidation of Jack Lunn (Holdings) Limited and its wholly owned subsidiaries Jack Lunn (Properties) Limited, Jack Lunn & Sons (Joinery) Limited, Jack Lunn (Leeds) Limited and its wholly owned subsidiary Jack Lunn & Co. Limited. The net difference between the cost of companies acquired and the value attributed to their net assets at the date of acquisition is shown in the reserves as capital reserve arising on consolidation.

#### Investment properties

Investment properties are stated at directors' valuation. No provision is made for any contingent liability in respect of capital gains tax which would arise in the event of actual sales being affected at these values.

#### Fixed assets and depreciation

Freehold land and buildings are stated at directors' valuation, no depreciation being provided thereon. Other fixed assets are depreciated at rates calculated by reference to their expected useful lives.

The rates applied are:-

Motor vehicles	25% written down value
Plant, equipment and fixtures	(10% to 25%) written down value

#### Land bank

The land bank is stated at the lower of cost and net realisable value.

#### Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. Cost includes the direct cost of materials and labour together with an addition for appropriate overheads, less cash received and receivable on account. Where cash on account exceeds the cost of a contract, the excess is included in current liabilities.

#### Turnover

Turnover comprises:

1. The total amount receivable by the group for completed contracts sold during the year and services supplied in the year.
2. Income from the letting of property.

# JACK LUNN (HOLDINGS) LIMITED

## NOTES ON THE ACCOUNTS

### 1 Accounting policies cont..

#### Deferred tax

Provision is only made for deferred tax where a liability is expected to arise in the foreseeable future. In this respect provision is made using the liability method and represents corporation tax on the following:-

1. The excess of the net book values of fixed assets qualifying for tax allowances over their corresponding values for tax purposes.
2. Short term timing differences.
3. As reduced by unrelieved tax losses available for set off in future accounting periods.

2	Directors' remuneration	1983 £	1982 £
	Directors' remuneration excluding pension contributions:		
	Chairman and highest paid director	30,492	29,111
	Other directors	Number	Number
	£15,001-£20,000	1	1
	£25,001-£30,000	-	3
	£30,001-£35,000	3	-
3	Interest	£	£
	On bank loans and overdrafts and on loans wholly repayable within 5 years	55,723	63,897
	On other loans	70,084	62,000
		<u>125,807</u>	<u>125,897</u>

# JACK LUNN (HOLDINGS) LIMITED

## NOTES ON THE ACCOUNTS

4	Tax	1983	1982
		£	£
	On the group profit for the year		
	United Kingdom Corporation Tax at (38% - 52%)	29,258	36,347
	Transfer to (from) deferred tax	3,712	(5,249)
	Adjustments relating to prior years	3,724	-
		<u>36,694</u>	<u>31,098</u>
	Deferred:		
	By capital allowances and other items	21,461	2,254
	Losses carried forward	(21,273)	(5,778)
		<u>188</u>	<u>(3,524)</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 £325,000 (1982 £181,000).

5	Investment properties	Long		
		Freehold	leasehold	Total
	The group	£	£	£
	At 1 May 1982	1,555,863	4,708	1,560,571
	Additions	110,964	456,252	567,216
	Revaluation surplus	485,412	21,850	507,262
	At 30 April 1983	<u>2,152,239</u>	<u>482,810</u>	<u>2,635,049</u>

Investment properties were revalued by the directors as at 30 April 1983, on an open market basis.

# JACK LUNN (HOLDINGS) LIMITED

## NOTES ON THE ACCOUNTS

### 6 Fixed assets

The group	Freehold land and buildings £	Motor vehicles £	Plant, equipment and fixtures £	Total £
Cost or valuation				
At 1 May 1982	92,900	111,612	108,756	313,268
Additions	-	32,142	9,127	41,269
Disposals	-	(24,296)	-	(24,296)
Revaluation surplus	42,100	-	-	42,100
At 30 April 1983	135,000	119,458	117,883	372,341
Cost	-	119,458	117,883	237,341
Valuation at 30 April 1983	135,000	-	-	135,000
Depreciation				
At 1 May 1982	-	54,902	67,787	122,689
Charge for year	-	19,962	11,274	31,236
On disposals	-	(15,313)	-	(15,313)
At 30 April 1983	-	59,551	79,061	138,612
Net book value	135,000	59,907	38,822	233,729

	Group £	Company £
Capital expenditure authorised by the directors but not provided for amounts to	30,000	-

7 Interests in subsidiary companies	1983 The company £	1982 The company £
Subsidiary companies		
Shares at cost less provisions	525,000	525,000
Less amounts due to subsidiary companies	(501,000)	(501,000)
	24,000	24,000

The companies included above are:-

Name of company	Nature of business	Shares held Class	Percentage
Jack Lunn (Leeds) Ltd	Holding company	Ordinary	100%
Jack Lunn (Properties) Ltd	Letting of property	Ordinary	100%
Jack Lunn & Sons (Joinery) Ltd	Joiners	Ordinary	100%
Jack Lunn & Co. Limited	Building contractors	Ordinary	100%

All the above companies are registered in England

# JACK LUNN (HOLDINGS) LIMITED

## NOTES ON THE ACCOUNTS

	1983		1982	
	The group		The group	
	£	£	£	£
8 Stock and work in progress				
Finished stock		63,073		395,743
Raw materials		9,530		8,058
Work in progress: short term	2,513,379		1,711,256	
less progress payments	1,713,225		734,666	
		<u>800,154</u>		<u>976,590</u>
		<u>872,757</u>		<u>1,380,391</u>
Progress payments of £82,952 (1982 £57,566) have been received in excess of the value of certain contracts and are included in creditors.				
9 Debtors		The group		The group
		1983		1982
		£		£
Debtors and prepayments		342,986		289,038
Due from companies under the common control of the directors		7,579		50
		<u>350,565</u>		<u>289,088</u>
10 Creditors		£		£
Creditors and accrued expenses		596,172		542,671
Directors		87,383		82,662
Due to companies under the common control of the directors		36,403		55,909
Loans (note 13)		5,485		4,974
		<u>725,443</u>		<u>686,216</u>
11 Share capital		1983 and 1982		
		Authorised	Issued and	
		£	fully paid	£
Ordinary shares of £1 each		<u>100,000</u>		<u>25,000</u>

# JACK LUNN (HOLDINGS) LIMITED

## NOTES ON THE ACCOUNTS

		Group	
		£	
12	Reserves		
	At 1 May 1982	2,262,513	
	Retained profit for the year	221,125	
	Revaluation surplus	549,362	
		<hr/>	
	At 30 April 1983	3,033,000	
		<hr/>	
	Made up of:		
	Retained earnings	1,076,982	
	Unrealised surplus on revaluation of assets	549,362	
	Capital reserve arising on consolidation	1,406,656	
		<hr/>	
		3,033,000	
		<hr/>	
13	Loans (secured)	The group 1983 £	The group 1982 £
	Long term		
	Halifax Building Society repayable over 5 years	25,787	28,950
	Bradford & Bingley Building Society repayable over 8 years	19,742	20,809
	Royal Liver Friendly Society repayable in 1990	400,000	400,000
		<hr/>	<hr/>
		445,529	449,759
	Less repayments due within 12 months (Note 10)	5,485	4,974
		<hr/>	<hr/>
		440,044	444,785
		<hr/>	<hr/>

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%.

## 14 Liabilities

1. There are contingent liabilities for Performance Bonds amounting to £195,055 (1982 £211,518).
2. The directors have been notified that a claim has been brought against Jack Lunn & Co. Limited in respect of a contract. They however feel that the company will not suffer any loss.
3. Jack Lunn (Holdings) Limited has guaranteed the overdrafts to Barclays Bank PLC of Jack Lunn & Co. Limited, Jack Lunn (Properties) Limited, Jack Lunn & Sons (Joinery) Limited and Jack Lunn (Leeds) Limited amounting to £449,556 (1982 £507,972).



JACK LUNN (HOLDINGS) LIMITED

NOTES ON THE ACCOUNTS

15 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 152A of and Schedule 8A to the Companies Act 1948.

16 Approval of accounts

These accounts were approved at a directors' meeting held on 12 September 1983.