

# Leck Group Limited

Directors' Report and Consolidated Financial Statements  
for the Year Ended 31 July 2009

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COMPANIES HOUSE

Haines Watts (Lancashire) LLP  
Registered Auditors  
Northern Assurance Buildings  
9/21 Princess Street  
Manchester  
M2 4DN

# LECK GROUP LIMITED

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**LECK GROUP LIMITED**  
**COMPANY INFORMATION**

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<b>Directors</b>	V Barker
	C M Barker
	D R Barker
<b>Secretaries</b>	G R Horsfield (retired 30 September 2009)
	D R Barker (appointed 30 September 2009)
<b>Company number</b>	206159
<b>Registered office</b>	Leck House 80 Deansgate Lane Timperley Cheshire WA14 1SP
<b>Bankers</b>	National Westminster Bank plc PO Box No 305 Spring Gardens Manchester M60 2DB
<b>Auditors</b>	Haines Watts (Lancashire) LLP Registered Auditors Northern Assurance Buildings 9/21 Princess Street Manchester M2 4DN

**LECK GROUP LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 JULY 2009**

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The directors present their report and the audited consolidated financial statements for the year ended 31 July 2009

**Principal activity and business review**

The principal activities of the group continued to be that of building contractors, property developers and investment in property

The group's turnover decreased by 9.7% from the previous year which was due in part to the slowdown in major contract work during the financial year. This is reflective of the caution in the industry caused by the current economic uncertainty. The repair and maintenance work for a major engineering company continued at similar levels to the previous year. The gross margin achieved of 11.0% was only slightly less than the previous year's 11.1%. The combined impact of these factors is a reduction in gross profit of £136,906.

**Future Developments**

As for many businesses of our size, the environment in which the company and its subsidiary undertakings operate continues to be challenging. The industry is subject to constraints on spending partly brought about by uncertainty in the British economy and partly by other factors. With these risks and uncertainties in mind the directors are aware that any plans for future development of the group may be subject to unforeseen future events outside of their control. Nevertheless the directors consider that the group is well placed to sustain the current level of activity in the foreseeable future.

**Financial risk management objectives and policies**

There are no financial risk management objectives and policies which are material to the assessment of the group's assets, liabilities, financial position or its profits.

**Results and dividend**

The results for the group are set out in the financial statements.

The directors recommend the payment of an interim dividend of 14p per share.

**Directors**

The directors who held office during the year were as follows:

- V Barker
- C M Barker
- D R Barker

**Retirement of directors**

In accordance with the Articles of Association, V Barker retires by rotation, and being eligible, offers himself for re-election.

**Donations**

No political donations were made during the year (2008 - £nil) and charitable donations amounted to £810 (2008 - £1,150).

**Auditors**

The auditors, Haines Watts (Lancashire) LLP, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006.

**LECK GROUP LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 JULY 2009**

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**Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company and group at the end of the financial year and of the profit or loss of the company and group for the period ending on that date. In preparing those financial statements, directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and enable them to ensure the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and group and to prevent and detect fraud and other irregularities.

**Statement of disclosure to auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Approved by the Board on 22 February 2010 and signed on its behalf by



V Barker  
Director

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LECK GROUP LIMITED**

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We have audited the financial statements of Leck Group Limited for the year ended 31 July 2009, set out on pages 6 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 July 2009 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
LECK GROUP LIMITED**

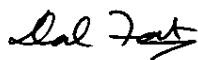
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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



David Fort FCA  
**Senior Statutory Auditor**

for and on behalf of  
Haines Watts (Lancashire) LLP, Statutory Auditor

Northern Assurance Buildings  
9/21 Princess Street  
Manchester  
M2 4DN

1 March 2010

**LECK GROUP LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2009**

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	<b>Note</b>	<b>2009 £</b>	<b>2008 £</b>
Turnover	2	10,232,728	11,334,593
Cost of sales		<u>(9,110,475)</u>	<u>(10,075,434)</u>
<b>Gross profit</b>		1,122,253	1,259,159
Administrative expenses		(1,393,983)	(1,443,912)
Other operating income		<u>400,299</u>	<u>398,980</u>
<b>Operating profit</b>	3	128,569	214,227
Exceptional loss on disposal of fixed assets	5	-	(36,109)
Investment income		1,460	1,417
Other interest receivable and similar income		18,160	88,335
Interest payable and similar charges	8	<u>(1,446)</u>	<u>(1,613)</u>
<b>Profit on ordinary activities before taxation</b>		146,743	266,257
Tax on profit on ordinary activities	9	<u>(32,231)</u>	<u>(64,240)</u>
<b>Profit for the financial year</b>	21	<u><u>114,512</u></u>	<u><u>202,017</u></u>

Turnover and operating profit derive wholly from continuing operations



**LECK GROUP LIMITED**

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 JULY 2009**

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	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	114,512	202,017
Tax on disposal of revalued properties	-	(7,263)
Unrealised surplus/(deficit) on revaluation of properties	5,000	(187,500)
Total recognised gains for the year	<u>119,512</u>	<u>7,254</u>

**NOTE OF CONSOLIDATED HISTORICAL COST PROFITS AND LOSSES  
FOR THE YEAR ENDED 31 JULY 2009**

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	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Reported profit on ordinary activities before taxation	146,743	266,257
Realisation of property revaluation gains of previous years	-	37,000
Historical cost profit on ordinary activities before taxation	<u>146,743</u>	<u>303,257</u>
Historical cost (losses)/profits for the year after taxation and dividends	<u>(12,621)</u>	<u>51,649</u>

**LECK GROUP LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 JULY 2009**

		2009		2008	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		4,092,071		4,132,379
Investments	13		8,099		6,990
			<u>4,100,170</u>		<u>4,139,369</u>
<b>Current assets</b>					
Stocks	14	1,085,731		1,098,313	
Debtors	15	1,962,043		1,717,238	
Investments	16	6,709		1,286,709	
Cash at bank and in hand		<u>1,153,865</u>		<u>467,242</u>	
		4,208,348		4,569,502	
<b>Creditors' Amounts falling due within one year</b>	17	<u>(2,755,010)</u>		<u>(3,146,542)</u>	
<b>Net current assets</b>			<u>1,453,338</u>		<u>1,422,960</u>
<b>Total assets less current liabilities</b>			5,553,508		5,562,329
<b>Provisions for liabilities</b>	19		<u>(174,416)</u>		<u>(175,616)</u>
<b>Net assets</b>			<u>5,379,092</u>		<u>5,386,713</u>
<b>Capital and reserves</b>					
Called up share capital	20		52,972		52,972
Revaluation reserve	21		1,336,224		1,331,224
Other reserves	21		64,165		64,165
Profit and loss account	21		<u>3,925,731</u>		<u>3,938,352</u>
<b>Equity shareholders' funds</b>	22		<u>5,379,092</u>		<u>5,386,713</u>

Approved by the Board on 22 February 2010 and signed on its behalf by



V Barker  
Director

**LECK GROUP LIMITED**  
**BALANCE SHEET**  
**AS AT 31 JULY 2009**

		2009		2008	
	Note	£	£	£	£
<b>Fixed assets</b>					
Investments	13		174,206		173,098
<b>Current assets</b>					
Debtors	15	3,790,008		3,324,200	
Cash at bank and in hand		-		465,870	
		<u>3,790,008</u>		<u>3,790,070</u>	
<b>Creditors: Amounts falling due within one year</b>	17	<u>(225,640)</u>		<u>(226,718)</u>	
<b>Net current assets</b>			<u>3,564,368</u>		<u>3,563,352</u>
<b>Total assets less current liabilities</b>			<u>3,738,574</u>		<u>3,736,450</u>
<b>Net assets</b>			<u>3,738,574</u>		<u>3,736,450</u>
<b>Capital and reserves</b>					
Called up share capital	20		52,972		52,972
Other reserves	21		66,027		66,027
Profit and loss account	21		<u>3,619,575</u>		<u>3,617,451</u>
<b>Equity shareholders' funds</b>	22		<u>3,738,574</u>		<u>3,736,450</u>

Approved by the Board on 22 February 2010 and signed on its behalf by



V Barker  
 Director

**LECK GROUP LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2009**

		<b>2009</b>	<b>2008</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
Net cash flow from operating activities	25	(280,291)	(560,991)
Returns on investment and servicing of finance	26	18,174	88,139
Taxation	26	(62,004)	(86,004)
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(32,627)	(50,048)
Sale of tangible fixed assets		43	79,099
Purchase of trade investment		(1,108)	(744)
Sale of trade investment		7	-
		<u>(33,685)</u>	<u>28,307</u>
Equity dividends paid		<u>(127,133)</u>	<u>(180,105)</u>
<b>Cash outflow before management of liquid resources and financing</b>		<u>(484,939)</u>	<u>(710,654)</u>
<b>Management of liquid resources</b>			
Cash withdrawn from deposit		<u>1,280,000</u>	<u>645,000</u>
		<u>1,280,000</u>	<u>645,000</u>
<b>Increase/(decrease) in cash</b>		<u><u>795,061</u></u>	<u><u>(65,654)</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

		<b>2009</b>	<b>2008</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
Increase/(decrease) in cash in the year	27	795,061	(65,654)
Cash inflow from decrease in liquid resources		<u>(1,280,000)</u>	<u>(645,000)</u>
Change in net funds resulting from cash flows		<u>(484,939)</u>	<u>(710,654)</u>
Net funds at the start of the year	27	<u>1,269,454</u>	<u>1,980,108</u>
<b>Net funds at the end of the year</b>	27	<u><u>784,515</u></u>	<u><u>1,269,454</u></u>

The notes on pages 11 to 27 form an integral part of these financial statements

**LECK GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2009**

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**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain land and buildings, oil wells and chief rents, and in accordance with applicable accounting standards

**Basis of consolidation**

The group financial statements include the financial statements of Leck Group Limited and all subsidiary undertakings on the basis of audited financial statements made up to 31 July 2009. No profit or loss is presented for Leck Group Limited as permitted by Section 408 of the Companies Act 2006

**Turnover**

Turnover comprises completed sales and the value of contracting work performed which includes attributable profit in respect of long term contracts

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Freehold buildings	2% on cost or valuation
Plant and machinery	20% or 33% on net book value or cost
Motor vehicles	25% or 33 33% on net book value

**Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

**Investments**

Fixed asset investments are stated at cost less provision for any diminution in value. Current asset investments are stated at the lower of cost and net realisable value

**Stock and work in progress**

Stocks of raw materials, land and houses for resale are valued at the lower of cost and net realisable value

Short term contracts and developments included in work in progress are valued at the lower of direct cost and net realisable value and after deducting progress payments received

Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate

**Long term contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account

**LECK GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2009**

*continued*

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**Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes in accordance with the requirements of FRS 19 - Deferred tax. The deferred tax balance has not been discounted.

**Pensions**

The group operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

**Revaluation of property**

The company has taken advantage of the transitional provisions of FRS15 "Tangible fixed assets" and retained the book amounts of certain properties which were revalued prior to the implementation of that standard. The properties were last revalued as at 31 July 1976 and the valuations have not subsequently been updated.

**Investment properties**

Investment properties are revalued annually. Surpluses or deficits on individual properties are transferred to the investment revaluation reserve, except that a deficit which is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. Depreciation is not provided in respect of freehold investment properties or of leasehold investment properties where the unexpired term of the lease is more than 20 years. The directors consider that this accounting policy, which represents a departure from the statutory accounting rules, is necessary to provide a true and fair view as required under SSAP 19. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

**Goodwill**

Goodwill arising on acquisitions in the year ended 31 December 1997 and earlier periods was written off to reserves in accordance with the accounting standard then in force. As permitted by the current accounting standard the goodwill previously written off to reserves has not been reinstated in the balance sheet. On disposal or closure of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit and loss on disposal.

**2 Turnover**

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

**LECK GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2009**

*continued*

**3 Operating profit**

	<b>2009</b> <b>£</b>	<b>2008</b> <b>£</b>
Operating profit is stated after charging		
Depreciation of tangible assets	76,792	89,220
Plant and machinery hire	369,971	381,271
Auditors remuneration (company £5,820, 2008 £5,820)	11,820	11,820
and after crediting		
Rents receivable	395,294	519,690
Dividends received	<u>1,186</u>	<u>1,081</u>

**4 Investment income**

	<b>2009</b> <b>£</b>	<b>2008</b> <b>£</b>
Income from fixed asset investments	<u>1,460</u>	<u>1,417</u>

**5 Exceptional items**

	<b>2009</b> <b>£</b>	<b>2008</b> <b>£</b>
Exceptional loss on disposal of fixed assets	<u>-</u>	<u>36,109</u>

**6 Particulars of employees**

The average number of persons employed by the group (including directors) during the year, analysed by category, was as follows

	<b>2009</b> <b>No</b>	<b>2008</b> <b>No.</b>
Office and management	24	25
Construction	64	86
	<u>88</u>	<u>111</u>

**Employment costs**

	<b>£</b>	<b>£</b>
Wages and salaries	2,410,088	2,810,620
Social security costs	235,024	271,170
Other pension costs	132,279	150,099
	<u>2,777,391</u>	<u>3,231,889</u>

**LECK GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2009**

*continued*

**7 Directors' remuneration**

The directors' remuneration for the year are as follows

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Directors' remuneration (including benefits in kind)	160,688	169,483
Directors' money purchase schemes	116,557	106,544
	<u>277,245</u>	<u>276,027</u>

During the year the number of directors who were accruing benefits under company pension schemes was as follows

	<b>2009</b>	<b>2008</b>
	<b>No</b>	<b>No</b>
Money purchase	<u>2</u>	<u>2</u>

The aggregate remuneration of the highest paid director was £65,754 (2008 - £79,466), and company pension contributions of £nil (2008 - £nil) were made on his behalf

**8 Interest payable and similar charges**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
On bank overdrafts	7	306
Other interest	1,439	1,307
	<u>1,446</u>	<u>1,613</u>



**LECK GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2009**

*continued*

**9 Taxation**

**Analysis of current period tax charge**

	2009 £	2008 £
<b>Current tax</b>		
Corporation tax charge	33,426	54,740
Under/(over) provision in previous year	<u>5</u>	<u>-</u>
UK Corporation tax	<u>33,431</u>	<u>54,740</u>
 <b>Deferred tax</b>		
Origination and reversal of timing differences	<u>(1,200)</u>	<u>9,500</u>
 <b>Total tax on profit on ordinary activities</b>	<u><u>32,231</u></u>	<u><u>64,240</u></u>

**Factors affecting current period tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than (2008 - lower than) the standard rate of corporation tax in the UK of 21.00% (2008 - 29.33%)

The differences are reconciled below

	2009 £	2008 £
Profit on ordinary activities before taxation	<u>146,743</u>	<u>266,257</u>
Standard rate corporation tax charge	30,816	78,093
Non deductible expenses	844	2,317
Depreciation add back	16,356	36,763
Capital allowances	(14,283)	(39,858)
Dividends and distributions received	(307)	(317)
Taxation charge included in statement of recognised gains and losses	-	(7,263)
Other tax adjustments	-	10,478
Marginal rate relief	-	(25,473)
Under provision in previous year	5	-
Total current tax for the year	<u><u>33,431</u></u>	<u><u>54,740</u></u>

**LECK GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2009**

*continued*

**10 Profit for the financial year**

As permitted by Section 408 of the Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Holding company's profit for the financial year	<u>129,257</u>	<u>233,444</u>

**11 Dividends**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Final ordinary dividend proposed and paid during the year relating to the previous year's results	<u>127,133</u>	<u>180,105</u>

The directors have proposed an interim dividend of 14 pence per share (2008 - final dividend of 12 pence per share). This dividend has not been accrued as at 31 July 2009 as, in accordance with FRS 21 "Events after the Balance Sheet Date", dividends are shown as a change in shareholders' equity on the basis of cash paid or dividends declared prior to the year end.

**LECK GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2009**

*continued*

**12 Tangible fixed assets**

**Group**

	<b>Land and buildings £</b>	<b>Investment properties £</b>	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost or Valuation</b>					
As at 1 August 2008	90,071	3,809,960	857,251	318,425	5,075,707
Revaluation	-	5,000	-	-	5,000
Additions	-	-	15,526	17,100	32,626
Disposals	-	-	(3,700)	(6,500)	(10,200)
As at 31 July 2009	<u>90,071</u>	<u>3,814,960</u>	<u>869,077</u>	<u>329,025</u>	<u>5,103,133</u>
<b>Depreciation</b>					
As at 1 August 2008	29,362	-	717,498	196,468	943,328
Eliminated on disposals	-	-	(2,762)	(6,296)	(9,058)
Charge for the year	<u>1,710</u>	<u>-</u>	<u>40,879</u>	<u>34,203</u>	<u>76,792</u>
As at 31 July 2009	<u>31,072</u>	<u>-</u>	<u>755,615</u>	<u>224,375</u>	<u>1,011,062</u>
<b>Net book value</b>					
As at 31 July 2009	<u>58,999</u>	<u>3,814,960</u>	<u>113,462</u>	<u>104,650</u>	<u>4,092,071</u>
As at 31 July 2008	<u>60,709</u>	<u>3,809,960</u>	<u>139,753</u>	<u>121,957</u>	<u>4,132,379</u>
 Valuation	58,500	3,814,960	-	-	3,873,460
Cost	<u>31,571</u>	<u>-</u>	<u>869,077</u>	<u>329,025</u>	<u>1,229,673</u>
Total	<u>90,071</u>	<u>3,814,960</u>	<u>869,077</u>	<u>329,025</u>	<u>5,103,133</u>

Certain of the freehold properties included in the land and buildings category were professionally valued on an open market basis at July 1976

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**Comparable historical cost for the land and buildings included at valuation:**

	<b>£</b>
<b>Cost</b>	
At 1 August 2008 and at 31 July 2009	<u>73,666</u>
<b>Depreciation</b>	
At 1 August 2008	20,199
Charge for the year	<u>1,474</u>
At 31 July 2009	<u>21,673</u>
<b>Net book value</b>	
At 31 July 2009	<u>51,993</u>
At 31 July 2008	<u>53,467</u>

**Investment properties**

Investment properties consist of freehold property £3,255,700 (2008 - £3,255,700) and long leasehold property £559,260 (2008 - £554,260)

The investment properties have been valued by the directors, on an open market basis at 31 July 2009

The historical cost of the investment properties was £2,546,350 (2008 - £2,546,350)

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**13 Investments held as fixed assets**

**Group**

	<b>Oil wells</b>	<b>Listed investments</b>	<b>Unlisted investments</b>	<b>Chief rents</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>					
At 1 August 2008	2,064	11,905	540	780	15,289
Additions	-	1,108	-	-	1,108
Disposals	-	(6,235)	-	-	(6,235)
At 31 July 2009	<u>2,064</u>	<u>6,778</u>	<u>540</u>	<u>780</u>	<u>10,162</u>
<b>Provision for diminution in value</b>					
At 1 August 2008	2,064	6,235	-	-	8,299
Eliminated on disposals	-	(6,235)	-	-	(6,235)
At 31 July 2009	<u>2,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,064</u>
<b>Net book value</b>					
At 31 July 2009	<u>-</u>	<u>6,778</u>	<u>540</u>	<u>780</u>	<u>8,099</u>
At 31 July 2008	<u>-</u>	<u>5,670</u>	<u>540</u>	<u>780</u>	<u>6,990</u>

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**Company**

	<b>Oil wells</b>	<b>Listed investments</b>	<b>Shares in subsidiary undertakings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>				
At 1 August 2008	2,064	11,905	284,808	298,777
Additions	-	1,108	-	1,108
Disposals	-	(6,235)	-	(6,235)
At 31 July 2009	<u>2,064</u>	<u>6,778</u>	<u>284,808</u>	<u>293,650</u>
<b>Provision for diminution in value</b>				
At 1 August 2008	2,064	6,235	117,380	125,679
Eliminated on disposal	-	(6,235)	-	(6,235)
As 31 July 2008	<u>2,064</u>	<u>6,235</u>	<u>117,380</u>	<u>119,444</u>
<b>Net book value</b>				
At 31 July 2009	<u>-</u>	<u>6,778</u>	<u>167,428</u>	<u>174,206</u>
At 31 July 2008	<u>-</u>	<u>5,670</u>	<u>167,428</u>	<u>173,098</u>

The group holds more than 20% of the share capital of the following companies

	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Class</b>	<b>%</b>
<b>Subsidiary undertakings</b>				
Leck Construction Limited	England	Building contractors and property developers	Ordinary	100
J A Payne Limited	England	Investment in property	Ordinary	100
Thiricrest Limited	England	Dormant	Ordinary	100
Handforce Limited	England	Dormant	Ordinary	100
John Westall Limited	England	Dormant	Ordinary	100
Chaddock Homes Limited	England	Dormant	Ordinary	100

With the exception of the freehold and leasehold oil wells and chief rent, investments are stated at cost

The freehold and leasehold oil wells are at net book value in 1947 less cash received of £7,255 on disposals since and the chief rents are at valuation in 1970

At 31 July 2009 the market value of the listed investments held by the group and company was £17,416 (2008 - £18,782)

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**14 Stocks and work in progress**

	<b>Group</b>	
	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Raw materials	4,498	5,350
Short term contracts	2,764,942	3,283,372
Land	299,443	189,562
Developments	191,254	175,579
Long term contracts - applicable payments on account	(2,174,406)	(2,555,550)
	<u>1,085,731</u>	<u>1,098,313</u>

**15 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	1,491,095	1,203,883	-	-
Amounts owed by group undertakings	-	-	3,789,996	3,324,173
Amounts recoverable on long term contracts	299,749	346,258	-	-
Other debtors	129,629	120,443	12	27
Prepayments and accrued income	41,570	46,654	-	-
	<u>1,962,043</u>	<u>1,717,238</u>	<u>3,790,008</u>	<u>3,324,200</u>

**16 Current asset investments**

**Group**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Other unlisted investments	<u>6,709</u>	<u>1,286,709</u>

Investments consist of deposits with financial institutions

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**17 Creditors Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank overdrafts	376,059	484,497	7,344	-
Payments received on account	16,241	53,885	-	-
Trade creditors	1,818,530	2,053,915	-	-
Amounts owed to group undertakings	-	-	102,444	102,444
Corporation tax	33,426	61,999	7,952	20,205
Social security and other taxes	82,865	85,122	10,493	9,510
Other creditors	240,522	143,696	88,487	88,339
Accruals and deferred income	187,367	263,428	8,920	6,220
	<u>2,755,010</u>	<u>3,146,542</u>	<u>225,640</u>	<u>226,718</u>

**18 Security of borrowings**

The bank overdrafts are secured by a specific charge over certain of the group's land and properties together with a fixed and floating charge over the remaining assets of the group



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**19 Provisions for liabilities**

**Group**

	Deferred tax provision £	Other provision £	Total £
As at 1 August 2008	137,856	37,760	175,616
Profit and loss account	(1,200)	-	(1,200)
As at 31 July 2009	<u>136,656</u>	<u>37,760</u>	<u>174,416</u>

**Deferred tax**

Deferred tax is provided at 21.00% (2008 - 21.00%)

**Group**

	2009 £	2008 £
Accelerated capital allowances	144,556	145,756
Other timing differences	(7,900)	(7,900)
	<u>136,656</u>	<u>137,856</u>

No provision has been made for deferred tax on revaluing property to its market value. The tax arising from the revaluation would only be payable if the property were to be sold without rollover relief being available. The potential tax on gains arising on the revaluation is estimated to be £238,000 (2008 - £237,000). These assets are expected to be used in the continuing operations of the business and therefore no tax is expected to be paid in the foreseeable future.

Other provisions represent the estimated cost of completing a road prior to adoption by the local authority.

**20 Share capital**

	2009 £	2008 £
<b>Allotted, called up and fully paid</b>		
<b>Equity</b>		
1,059,444 Ordinary shares of 5 pence each	<u>52,972</u>	<u>52,972</u>

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**21 Reserves**

**Group**

	<b>Revaluation reserve £</b>	<b>Other reserves £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Balance at 1 August 2008	1,331,224	64,165	3,938,352	5,333,741
Retained profit for the year	-	-	114,512	114,512
Surplus/(deficit) on property revaluation	5,000	-	-	5,000
Equity dividends paid	-	-	(127,133)	(127,133)
Balance at 31 July 2009	<u>1,336,224</u>	<u>64,165</u>	<u>3,925,731</u>	<u>5,326,120</u>

**Company**

	<b>Other reserves £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Balance at 1 August 2008	66,027	3,617,451	3,683,478
Retained profit for the year	-	129,257	129,257
Equity dividends paid	-	(127,133)	(127,133)
Balance at 31 July 2009	<u>66,027</u>	<u>3,619,575</u>	<u>3,685,602</u>

**Capital redemption reserve**

	<b>£</b>
Balance at 1 August 2008 and 31 July 2009	<u>62,027</u>

**Acquisition reserve arising of allotment of shares under Section 131 Companies Act 1985**

	<b>£</b>
Balance at 1 August 2008 and 31 July 2009	<u>4,000</u>

The revaluation reserve of the group includes £1,292,002 (2008 - £1,287,002) in respect of surpluses on revaluation of investment properties

The cumulative amount of goodwill written off amounts to £81,103 (2008 - £81,103)

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**22 Reconciliation of movements in shareholders' funds**

	<b>Group</b>		<b>Company</b>	
	<b>2009 £</b>	<b>2008 £</b>	<b>2009 £</b>	<b>2008 £</b>
Profit attributable to members of the group/company	114,512	202,017	129,257	233,444
Dividends	(127,133)	(180,105)	(127,133)	(180,105)
	<u>(12,621)</u>	<u>21,912</u>	<u>2,124</u>	<u>53,339</u>
Other recognised gains/(losses) for the year	5,000	(194,763)	-	-
Net reduction to shareholders' funds	<u>(7,621)</u>	<u>(172,851)</u>	<u>2,124</u>	<u>53,339</u>
Opening shareholders' funds	5,386,713	5,559,564	3,736,450	3,683,111
Closing shareholders' funds	<u>5,379,092</u>	<u>5,386,713</u>	<u>3,738,574</u>	<u>3,736,450</u>

**23 Contingent liabilities**

a) The group has contingent liabilities in respect of contract bonds which at 31 July 2009 amounted to £202,534 (2008 - £28,912)

b) The company has guaranteed the bank overdrafts of certain subsidiary undertakings. As at 31 July 2009 these overdrafts amounted to £368,716 (2008 - £399,656)

**24 Pension scheme**

**Defined contribution pension scheme**

The group operates three money purchase pension schemes for the benefit of certain eligible employees. The assets of these schemes are held separately from those of the group in the independently administered funds. The pension cost charge for the year amounted to £132,279 (2008 - £150,099)

There were no outstanding or prepaid contributions at either the beginning or end of the financial year

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**25 Reconciliation of operating profit to operating cash flows**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Operating profit	128,569	214,227
Depreciation, amortisation and impairment charges	76,792	89,220
Loss on disposal of fixed assets	1,092	-
Decrease/(increase) in stocks	12,582	(347,045)
Increase in debtors	(244,805)	(66,973)
Decrease in creditors	(254,521)	(450,420)
<b>Net cash outflow from operating activities</b>	<b>(280,291)</b>	<b>(560,991)</b>

**26 Analysis of cash flows**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Returns on investment and servicing of finance</b>		
Other interest paid	(1,446)	(1,613)
Interest received	18,160	88,335
Investment income	1,460	1,417
	<b>18,174</b>	<b>88,139</b>
<b>Taxation</b>		
Taxation paid	<b>(62,004)</b>	<b>(86,004)</b>

**27 Analysis of net funds**

	<b>At start of period</b>	<b>Cash flow</b>	<b>At end of period</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	467,242	686,623	1,153,865
Bank overdraft	(484,497)	108,438	(376,059)
Cash and bank net funds	<b>(17,255)</b>	<b>795,061</b>	<b>777,806</b>
Current asset investments	1,286,709	(1,280,000)	6,709
<b>Net funds</b>	<b>1,269,454</b>	<b>(484,939)</b>	<b>784,515</b>

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- **LECK GROUP LIMITED**

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**28 Controlling entity**

V and CM Barker, both of whom are directors of Leck Group Limited, control the company as a result of controlling 97% of the issued share capital of Leck Group Limited

During the year the directors received dividends as follows

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
V Barker	100,486	142,355
C M Barker	3,000	4,250
D R Barker	18	26
	<u>103,504</u>	<u>146,631</u>