

Registrar

COMPANY REGISTRATION NUMBER 03625708

LUCKETTS HOLDINGS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st AUGUST 2010



taylorcocks | chartered accountants
and tax advisers

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Cosham
Portsmouth
PO6 3TH

LUCKETTS HOLDINGS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31st AUGUST 2010

CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2 to 3
Independent auditor's report to the shareholders	4 to 5
Profit and loss account	6
Group balance sheet	7
Balance sheet	8
Group cash flow statement	9
Notes to the financial statements	10 to 22

LUCKETTS HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr D F Lockett Mr I M Lockett Mr S D Lockett
Company secretary	Mr I M Lockett
Registered office	Broadcut Wallington Fareham Hampshire PO16 8TB
Auditor	taylorcocks Chartered Accountants & Statutory Auditor 3 Acorn Business Centre Northarbour Road Cosham Portsmouth PO6 3TH

LUCKETTS HOLDINGS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31st AUGUST 2010

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31st August 2010

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a holding and property investment company. The principal activity of the group was that of coach travel operator and tour operator.

The business has continued to develop well and has not faced any unusual risks or uncertainties in the year. The financial results of the group can be seen within the attached accounts. Given the straightforward nature of the business and the detailed information contained within these accounts, the group's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the entity.

FUTURE DEVELOPMENTS

There have been no important events since the year end to be reported. The group's performance to date is consistent with expectations that 2011 will be another successful year.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £297,782. Particulars of dividends paid are detailed in note 11 to the financial statements.

FINANCIAL INSTRUMENTS

Details of the group's financial risk management objectives and policies are included in note 21 to the accounts.

DIRECTORS

The directors who served the company during the year were as follows:

Mr D F Lockett
Mr I M Lockett
Mr S D Lockett

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUCKETTS HOLDINGS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31st AUGUST 2010

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Registered office
Broadcut
Wallington
Fareham
Hampshire
PO16 8TB

Signed by order of the directors



MR I M LUCKETT
Company Secretary

Approved by the directors on

1/2/11

LUCKETTS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LUCKETTS HOLDINGS LIMITED

YEAR ENDED 31st AUGUST 2010

We have audited the group and parent company financial statements ("the financial statements") of Locketts Holdings Limited for the year ended 31st August 2010. 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 shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 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 directors, and the overall presentation of the financial statements.

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.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31st August 2010 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.

LUCKETTS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LUCKETTS HOLDINGS LIMITED *(continued)*

YEAR ENDED 31st AUGUST 2010

OPINION ON OTHER MATTERS 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

Graham Figgins (Senior Statutory Auditor)

For and on behalf of

taylorcocks | chartered accountants
& statutory auditor

Office Portsmouth

Date 16/2/11

LUCKETTS HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31st AUGUST 2010

	Note	2010 £	2009 £
GROUP TURNOVER	2	13,717,100	12,977,878
Cost of sales		10,712,288	10,093,360
GROSS PROFIT		3,004,812	2,884,518
Administrative expenses		2,022,588	1,808,084
Other operating income		(1,455)	(158)
OPERATING PROFIT	3	983,679	1,076,592
Income from fixed asset investments	6	212	472
Interest receivable		1	2,155
Amounts written off investments	7	-	(7,091)
Interest payable and similar charges	8	(175,948)	(192,409)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		807,944	879,719
Tax on profit on ordinary activities	9	510,162	200,568
PROFIT FOR THE FINANCIAL YEAR	10	297,782	679,151

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the year as set out above

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 10 to 22 form part of these financial statements

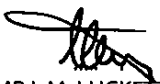
LUCKETTS HOLDINGS LIMITED

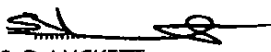
GROUP BALANCE SHEET

31st AUGUST 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Intangible assets	12	41,250	48,750
Tangible assets	13	8,654,351	8,264,680
		<u>8,695,601</u>	<u>8,313,430</u>
CURRENT ASSETS			
Stocks	15	133,409	92,445
Debtors	16	1,166,779	1,030,633
Cash at bank and in hand		691,314	287,486
		<u>1,991,502</u>	<u>1,410,564</u>
CREDITORS Amounts falling due within one year	17	<u>4,172,583</u>	<u>2,927,884</u>
NET CURRENT LIABILITIES		<u>(2,181,081)</u>	<u>(1,517,320)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,514,520</u>	<u>6,796,110</u>
CREDITORS Amounts falling due after more than one year	18	3,185,408	3,772,620
PROVISIONS FOR LIABILITIES			
Deferred taxation	20	1,077,182	889,342
		<u>2,251,930</u>	<u>2,134,148</u>
CAPITAL AND RESERVES			
Called-up equity share capital	24	10,000	10,000
Profit and loss account	25	2,241,930	2,124,148
SHAREHOLDERS' FUNDS	26	<u>2,251,930</u>	<u>2,134,148</u>

These financial statements were approved by the directors and authorised for issue on 1/2/11, and are signed on their behalf by


MR I M LUCKETT


MR S D LUCKETT

Company Registration Number 03625708

The notes on pages 10 to 22 form part of these financial statements

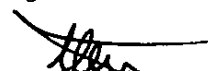
LUCKETTS HOLDINGS LIMITED

BALANCE SHEET

31st AUGUST 2010

	Note	2010		2009	
		£	£	£	£
FIXED ASSETS					
Tangible assets	13		1,697,622		1,107,406
Investments	14		1,215,547		1,215,547
			<u>2,913,169</u>		<u>2,322,953</u>
CURRENT ASSETS					
Debtors	16	45,508		30,680	
CREDITORS. Amounts falling due within one year	17	<u>2,018,037</u>		<u>1,416,593</u>	
NET CURRENT LIABILITIES			<u>(1,972,529)</u>		<u>(1,385,913)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>940,640</u>		<u>937,040</u>
CREDITORS. Amounts falling due after more than one year	18		299,758		402,043
PROVISIONS FOR LIABILITIES					
Deferred taxation	20		<u>27,129</u>		<u>-</u>
			<u>613,753</u>		<u>534,997</u>
CAPITAL AND RESERVES					
Called-up equity share capital	24		10,000		10,000
Profit and loss account	25		603,753		524,997
SHAREHOLDERS' FUNDS			<u>613,753</u>		<u>534,997</u>

These financial statements were approved by the directors and authorised for issue on 1/2/11, and are signed on their behalf by


MR I M LUCKETT


MR S D LUCKETT

Company Registration Number 03625708

The notes on pages 10 to 22 form part of these financial statements

LUCKETTS HOLDINGS LIMITED
GROUP CASH FLOW STATEMENT
YEAR ENDED 31st AUGUST 2010

	Note	2010	2009
		£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	27	2,016,821	1,397,477
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	27	(175,735)	(189,782)
TAXATION	27	(192,753)	(57,894)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	27	(632,227)	(65,543)
EQUITY DIVIDENDS PAID		(180,000)	(180,000)
CASH INFLOW BEFORE FINANCING		<u>836,106</u>	<u>904,258</u>
FINANCING	27	(820,358)	(1,288,990)
INCREASE/(DECREASE) IN CASH	27	<u>15,748</u>	<u>(384,732)</u>

The notes on pages 10 to 22 form part of these financial statements

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

Turnover represents income from coach hire, maintenance services and tour operations provided during the year, excluding value added tax. Turnover is recognised on the departure date of completed tours, contract hire, or in respect of services provided under contractual arrangements turnover is recognised as a proportion of total services to be provided.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Plant & Machinery	- 10-20% reducing balance
Fixtures & Fittings	- 20-50% reducing balance
Motor Vehicles	- 10-25% reducing balance
Equipment	- 50% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

1 ACCOUNTING POLICIES *(continued)*

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Current asset investments

Current asset investments represent investments listed on a recognised stock exchange and are valued at mid market value in the balance sheet. All movements in value arising from changes are recognised in the profit and loss account.

2 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below.

	2010 £	2009 £
United Kingdom	<u>13,717,100</u>	<u>12,977,878</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

3 OPERATING PROFIT

Operating profit is stated after charging

	2010	2009
	£	£
Amortisation of intangible assets	7,500	7,500
Depreciation of owned fixed assets	170,205	231,810
Depreciation of assets held under hire purchase agreements	735,926	530,174
Loss on disposal of fixed assets	-	42,514
Auditor's remuneration		
- in respect of the audit of the parent company	2,500	2,000
- in respect of the audit of the subsidiary companies	14,500	13,000
- in respect of accountancy services	25,150	19,222
- in respect of taxation services	6,000	5,500
Operating lease costs		
- Other	-	256
Net loss on foreign currency translation	112	-

4 PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2010	2009
	No	No
Number of administrative staff	19	20
Number of management staff	8	6
Number of operations staff	6	6
Number of coach drivers	118	102
Number of workshop staff	10	10
	<u>161</u>	<u>144</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	3,204,331	2,854,629
Social security costs	288,980	259,530
Other pension costs	102,571	79,815
	<u>3,595,882</u>	<u>3,193,974</u>

5 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2010	2009
	£	£
Remuneration receivable	60,599	59,090
Value of company pension contributions to money purchase schemes	90,000	63,068
	<u>150,599</u>	<u>122,158</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

5 DIRECTORS' REMUNERATION *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows

	2010	2009
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

6 INCOME FROM FIXED ASSET INVESTMENTS

	2010	2009
	£	£
Income from current asset investments	<u>212</u>	<u>472</u>

7 AMOUNTS WRITTEN OFF INVESTMENTS

	2010	2009
	£	£
Amount written off current asset investments	<u>-</u>	<u>7,091</u>

8 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Interest payable on bank borrowing	42,143	46,502
Finance charges	127,007	131,906
Other similar charges payable	6,798	14,001
	<u>175,948</u>	<u>192,409</u>

9 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2010		2009	
	£	£	£	£
Current tax				
In respect of the year				
UK Corporation tax based on the results for the year at 28% (2009 - 21%)		179,588		50,019
Under provision in prior year		<u>142,734</u>		-
Total current tax		322,322		50,019
Deferred tax				
Origination and reversal of timing differences (note 20)				
Capital allowances	34,529		150,549	
Effect of changed tax rate on opening balance	260,663		-	
Over provision in prior year	<u>(107,352)</u>		<u>-</u>	
Total deferred tax (note 20)		187,840		150,549
Tax on profit on ordinary activities		<u>510,162</u>		<u>200,568</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

9 TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 - 21%)

	2010 £	2009 £
Profit on ordinary activities before taxation	<u>807,944</u>	<u>879,719</u>
Profit on ordinary activities by rate of tax	226,224	184,741
Capital allowances in excess of depreciation	(39,156)	(138,459)
Expenses not deductible for tax purposes	1,395	3,737
Marginal rate relief	(8,875)	-
Under provision in prior year	<u>142,734</u>	<u>-</u>
Total current tax (note 9(a))	<u>322,322</u>	<u>50,019</u>

10 PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £258,756 (2009 - £(2,211))

11 DIVIDENDS

Equity dividends

	2010 £	2009 £
Paid		
Equity dividends on ordinary shares	<u>180,000</u>	<u>180,000</u>

12 INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1st September 2009 and 31st August 2010	<u>75,000</u>
AMORTISATION	
At 1st September 2009	26,250
Charge for the year	<u>7,500</u>
At 31st August 2010	<u>33,750</u>
NET BOOK VALUE	
At 31st August 2010	<u>41,250</u>
At 31st August 2009	<u>48,750</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

13 TANGIBLE FIXED ASSETS

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST						
At 1 Sep 2009	1,308,754	341,486	134,703	9,886,100	98,099	11,769,142
Additions	595,238	12,505	48,059	640,000	–	1,295,802
At 31 Aug 2010	<u>1,903,992</u>	<u>353,991</u>	<u>182,762</u>	<u>10,526,100</u>	<u>98,099</u>	<u>13,064,944</u>
DEPRECIATION						
At 1 Sep 2009	31,878	244,878	107,808	3,026,785	93,113	3,504,462
Charge for the year	2,981	26,817	14,390	859,795	2,148	906,131
At 31 Aug 2010	<u>34,859</u>	<u>271,695</u>	<u>122,198</u>	<u>3,886,580</u>	<u>95,261</u>	<u>4,410,593</u>
NET BOOK VALUE						
At 31 Aug 2010	<u>1,869,133</u>	<u>82,296</u>	<u>60,564</u>	<u>6,639,520</u>	<u>2,838</u>	<u>8,654,351</u>
At 31 Aug 2009	<u>1,276,876</u>	<u>96,608</u>	<u>26,895</u>	<u>6,859,315</u>	<u>4,986</u>	<u>8,264,680</u>

Hire purchase agreements

Included within the net book value of £8,654,351 is £5,609,245 (2009 - £5,208,720) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £735,926 (2009 - £530,174)

Capital commitments

	2010 £	2009 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>567,983</u>

Company	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Total £
COST				
At 1st September 2009	1,130,275	16,926	8,132	1,155,333
Additions	595,238	–	–	595,238
At 31st August 2010	<u>1,725,513</u>	<u>16,926</u>	<u>8,132</u>	<u>1,750,571</u>
DEPRECIATION				
At 1st September 2009	31,878	9,657	6,392	47,927
Charge for the year	2,981	1,693	348	5,022
At 31st August 2010	<u>34,859</u>	<u>11,350</u>	<u>6,740</u>	<u>52,949</u>
NET BOOK VALUE				
At 31st August 2010	<u>1,690,654</u>	<u>5,576</u>	<u>1,392</u>	<u>1,697,622</u>
At 31st August 2009	<u>1,098,397</u>	<u>7,269</u>	<u>1,740</u>	<u>1,107,406</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

14 INVESTMENTS

Company	Group companies £
COST	
At 1st September 2009 and 31st August 2010	<u>1,215,547</u>
NET BOOK VALUE	
At 31st August 2010 and 31st August 2009	<u>1,215,547</u>

The company holds 100% of the issued Ordinary share capital in the following subsidiaries, all of which are incorporated in England

H Locketts & Co Limited	- Coach travel operator
Worthing Coaches Limited	- Coach travel operator
Locketts Travel Limited	- Tour operator
Coachman Limited	- Dormant
Locketts Services Limited	- Dormant

15 STOCKS

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Stock	<u>133,409</u>	<u>92,445</u>	<u>-</u>	<u>-</u>

16 DEBTORS

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	751,114	675,391	-	2,656
Amounts owed by group undertakings	-	-	10,684	10,516
VAT recoverable	55,366	16,656	4,774	-
Other debtors	11,128	11,370	9,020	9,020
Prepayments and accrued income	349,171	327,216	21,030	8,488
	<u>1,166,779</u>	<u>1,030,633</u>	<u>45,508</u>	<u>30,680</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

17 CREDITORS Amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans and overdrafts	1,063,015	163,892	666,582	391,355
Payments received on account	950,642	924,405	-	-
Trade creditors	559,062	454,194	60,091	120,561
Amounts owed to group undertakings	-	-	1,070,455	791,546
Hire purchase agreements	981,160	1,061,774	-	-
Directors' loan accounts	159,101	63,350	159,101	63,350
Corporation tax	179,589	50,020	41,828	11,623
PAYE and social security	79,960	69,360	-	-
VAT	-	-	-	17,218
Other creditors	24,022	13,287	-	-
Accruals and deferred income	176,032	127,602	19,980	20,940
	<u>4,172,583</u>	<u>2,927,884</u>	<u>2,018,037</u>	<u>1,416,593</u>

The bank loans and overdrafts are secured by charges over the freehold land and property of the group and a floating charge over the assets of the group. The hire purchase agreements are secured on the assets to which they relate.

18 CREDITORS. Amounts falling due after more than one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans	537,714	684,503	299,758	402,043
Hire purchase agreements	2,647,694	3,088,117	-	-
	<u>3,185,408</u>	<u>3,772,620</u>	<u>299,758</u>	<u>402,043</u>

The bank loans are secured by charges over the freehold land and property of the group and a floating charge over the assets of the group. The hire purchase agreements are secured on the assets to which they relate.

Of the amounts shown within bank loans as falling due greater than one year £110,334 is due greater than five years.

19 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Amounts payable within 1 year	981,160	1,061,774	-	-
Amounts payable between 2 to 5 years	2,647,694	2,610,177	-	-
Amounts payable after more than 5 years	-	477,940	-	-
	<u>3,628,854</u>	<u>4,149,891</u>	<u>-</u>	<u>-</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

20 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Provision brought forward	889,342	738,793	-	-
Increase in provision	187,840	150,549	27,129	-
Provision carried forward	<u>1,077,182</u>	<u>889,342</u>	<u>27,129</u>	<u>-</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of

Group	2010		2009	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>1,077,182</u>	<u>-</u>	<u>889,342</u>	<u>-</u>

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of

Company	2010		2009	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>27,129</u>	<u>-</u>	<u>-</u>	<u>-</u>

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments policy

It is the group's policy to minimise the cost of borrowings whilst retaining the flexibility of funding opportunities

Interest rate risk

The group's financial instruments have been entered into under a mixture of fixed and variable interest rates. The group's bank loans are wholly repayable by instalments at 2% over the bank's base rate, whilst the group's overdraft incurs interest at 1.7% above base

Currency risk

As at 31st August 2010 the group had no material currency exposures relating to trading activities. The group's financial instruments are materially denominated in sterling

Available facilities

The group operates an overdraft with other members of the group which provides for finance of up to £200,000

Fair value of financial assets and liabilities

An assessment of the fair value of the group's financial instruments held for financing purposes has been undertaken as at 31st August 2010. No material differences exist between book and fair value

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

22. CONTINGENCIES

The company has provided guarantees in respect of the group bank loans and overdraft. No losses are anticipated as a result of these guarantees, which at 31st August 2010 totalled £665,535

23. TRANSACTIONS WITH THE DIRECTORS

The directors maintain loan accounts with the group. At the year end the group owed the directors the following amounts: Mr D F Lockett £35,322 (2009 - £35,072), Mr S D Lockett £16,391 (2009 - £20,906) and Mr I M Lockett £107,388 (2009 - £7,373)

During the year the directors received the following dividends from the company

	2010	2009
	£	£
Mr D F Lockett	60,000	60,000
Mr S D Lockett	60,000	60,000
Mr I M Lockett	60,000	60,000
	<u>180,000</u>	<u>180,000</u>

24. SHARE CAPITAL

Authorised share capital:

	2010	2009
	£	£
94,000 Ordinary shares of £1 each	94,000	94,000
6,000 Preference shares of £1 each	6,000	6,000
	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2010		2009	
	No	£	No	£
Ordinary shares of £1 each	4,000	4,000	4,000	4,000
Preference shares of £1 each	6,000	6,000	6,000	6,000
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

25. RESERVES

Group	Profit and loss account
	£
Balance brought forward	2,124,148
Profit for the year	297,782
Equity dividends	(180,000)
Balance carried forward	<u>2,241,930</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

25 RESERVES (continued)

Company	Profit and loss account £
Balance brought forward	524,997
Profit for the year	258,756
Equity dividends	(180,000)
Balance carried forward	<u>603,753</u>

26 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Profit for the financial year	297,782	679,151
Equity dividends	(180,000)	(180,000)
Net addition to shareholders' funds	<u>117,782</u>	<u>499,151</u>
Opening shareholders' funds	2,134,148	1,634,997
Closing shareholders' funds	<u>2,251,930</u>	<u>2,134,148</u>

27 NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit	983,679	1,076,592
Amortisation	7,500	7,500
Depreciation	906,131	761,984
Loss on disposal of fixed assets	-	42,514
(Increase)/decrease in stocks	(40,964)	22,417
Increase in debtors	(136,146)	(352,522)
Increase/(decrease) in creditors	296,621	(161,008)
Net cash inflow from operating activities	<u>2,016,821</u>	<u>1,397,477</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2010 £	2009 £
Income from other fixed asset investments	212	472
Interest received	1	2,155
Interest paid	(48,941)	(60,503)
Interest element of hire purchase	<u>(127,007)</u>	<u>(131,906)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(175,735)</u>	<u>(189,782)</u>

TAXATION

	2010 £	2009 £
Taxation	<u>(192,753)</u>	<u>(57,894)</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

27 NOTES TO THE CASH FLOW STATEMENT *(continued)*

CAPITAL EXPENDITURE

	2010	2009
	£	£
Payments to acquire tangible fixed assets	(632,227)	(193,542)
Receipts from sale of fixed assets	–	127,999
Net cash outflow from capital expenditure	<u>(632,227)</u>	<u>(65,543)</u>

FINANCING

	2010	2009
	£	£
New bank loans	520,000	–
Repayment of bank loans	(155,746)	(172,212)
Capital element of hire purchase	(1,184,612)	(1,116,778)
Net cash outflow from financing	<u>(820,358)</u>	<u>(1,288,990)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2010	2009
	£	£
Increase/(decrease) in cash in the period	15,748	(384,732)
Net cash (inflow) from/outflow from bank loans	(364,254)	172,212
Cash outflow in respect of hire purchase	<u>1,184,612</u>	<u>1,116,778</u>
Change in net debt resulting from cash flows	836,106	904,258
New hire purchase agreements	<u>(663,575)</u>	<u>(2,916,940)</u>
Movement in net debt in the period	<u>172,531</u>	<u>(2,012,682)</u>
Net debt at 1 September 2009	<u>(4,710,800)</u>	<u>(2,698,118)</u>
Net debt at 31 August 2010	<u>(4,538,269)</u>	<u>(4,710,800)</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2010

27 NOTES TO THE CASH FLOW STATEMENT *(continued)*

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2009 £	Cash flows £	Other changes £	At 31 Aug 2010 £
Net cash				
Cash in hand and at bank	287,486	403,828	-	691,314
Overdrafts	-	(388,080)	-	(388,080)
	<u>287,486</u>	<u>15,748</u>	<u>-</u>	<u>303,234</u>
Debt				
Debt due within 1 year	(163,892)	(511,043)	-	(674,935)
Debt due after 1 year	(684,503)	146,789	-	(537,714)
Hire purchase agreements	(4,149,891)	1,184,612	(663,575)	(3,628,854)
	<u>(4,998,286)</u>	<u>820,358</u>	<u>(663,575)</u>	<u>(4,841,503)</u>
Net debt	<u>(4,710,800)</u>	<u>836,106</u>	<u>(663,575)</u>	<u>(4,538,269)</u>