



COMPANY REGISTRATION NUMBER 03625708

LUCKETTS HOLDINGS LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st AUGUST 2012



taylorcocks | Independent accountants and
certified tax advisers

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Cosham
Portsmouth
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LUCKETTS HOLDINGS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS**YEAR ENDED 31st AUGUST 2012**

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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

THE DIRECTORS' REPORT

YEAR ENDED 31st AUGUST 2012

The directors have pleasure in presenting their report and the consolidated financial statements of the group for the year ended 31st August 2012

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 2013 will be another successful year

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,005,905. Particulars of dividends paid are detailed in note 10 to the consolidated financial statements

FINANCIAL INSTRUMENTS

Details of the group's financial risk management objectives and policies are included in note 20 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 consolidated financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 2012

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

30/1/2013

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

YEAR ENDED 31st AUGUST 2012

We have audited the group and parent company consolidated financial statements ("the consolidated financial statements") of Locketts Holdings Limited for the year ended 31st August 2012. 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 consolidated financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the consolidated 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 CONSOLIDATED FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the consolidated financial statements sufficient to give reasonable assurance that the consolidated 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 consolidated financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited consolidated financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON CONSOLIDATED FINANCIAL STATEMENTS

In our opinion the consolidated financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31st August 2012 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

LUCKETTS HOLDINGS LIMITED

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

YEAR ENDED 31st AUGUST 2012

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 consolidated 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



JAMES BLAKE (Senior Statutory Auditor)

For and on behalf of

taylorcocks | chartered accountants
& statutory auditors

Office Portsmouth

Date 21/2/2013

LUCKETTS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st AUGUST 2012

	Note	2012 £	2011 £
GROUP TURNOVER	2	14,595,192	12,821,245
Cost of sales		<u>10,865,602</u>	<u>9,585,261</u>
GROSS PROFIT		3,729,590	3,235,984
Administrative expenses		2,930,216	2,266,558
Other operating income		<u>(623,865)</u>	<u>(250)</u>
OPERATING PROFIT	3	1,423,239	969,676
Income from fixed asset investments	6	613	601
Interest receivable		34	-
Interest payable and similar charges	7	<u>(182,824)</u>	<u>(111,046)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,241,062	859,231
Tax on profit on ordinary activities	8	235,157	158,612
PROFIT FOR THE FINANCIAL YEAR	9	<u>1,005,905</u>	<u>700,619</u>

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 23 form part of these consolidated financial statements.

LUCKETTS HOLDINGS LIMITED

GROUP BALANCE SHEET

31st AUGUST 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Intangible assets	11	293,526	33,750
Tangible assets	12	11,472,260	8,770,727
		<u>11,765,786</u>	<u>8,804,477</u>
CURRENT ASSETS			
Stocks	14	200,426	174,759
Debtors	15	1,284,335	1,172,476
Cash at bank and in hand		677,392	396,713
		<u>2,162,153</u>	<u>1,743,948</u>
CREDITORS Amounts falling due within one year	16	<u>3,932,683</u>	<u>2,848,930</u>
NET CURRENT LIABILITIES		<u>(1,770,530)</u>	<u>(1,104,982)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,995,256</u>	<u>7,699,495</u>
CREDITORS , Amounts falling due after more than one year	17	5,328,636	3,928,654
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	1,068,166	998,292
		<u>3,598,454</u>	<u>2,772,549</u>
CAPITAL AND RESERVES			
Called-up equity share capital	24	10,000	10,000
Profit and loss account	25	3,588,454	2,762,549
SHAREHOLDERS' FUNDS	26	<u>3,598,454</u>	<u>2,772,549</u>

These consolidated financial statements were approved by the directors and authorised for issue on 30/11/13, and are signed on their behalf by


MR I M LUCKETT


MR S D LUCKETT

The notes on pages 10 to 23 form part of these consolidated financial statements.

LUCKETTS HOLDINGS LIMITED

BALANCE SHEET

31st AUGUST 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	12	2,519,264	1,679,121
Investments	13	2,891,739	1,215,547
		<u>5,411,003</u>	<u>2,894,668</u>
CURRENT ASSETS			
Debtors	15	89,084	34,187
Cash at bank		65,631	149,095
		<u>154,715</u>	<u>183,282</u>
CREDITORS: Amounts falling due within one year	16	<u>3,145,422</u>	<u>1,594,582</u>
NET CURRENT LIABILITIES		<u>(2,990,707)</u>	<u>(1,411,300)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,420,296</u>	<u>1,483,368</u>
CREDITORS: Amounts falling due after more than one year	17	1,187,641	697,765
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	31,601	32,440
		<u>1,201,054</u>	<u>753,163</u>
CAPITAL AND RESERVES			
Called-up equity share capital	24	10,000	10,000
Profit and loss account	25	1,191,054	743,163
SHAREHOLDERS' FUNDS		<u>1,201,054</u>	<u>753,163</u>

These consolidated financial statements were approved by the directors and authorised for issue on 30.11.13, 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 23 form part of these consolidated financial statements.

LUCKETTS HOLDINGS LIMITED

GROUP CASH FLOW STATEMENT

YEAR ENDED 31st AUGUST 2012

		2012		2011	
	Note	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	27		2,535,307		1,720,115
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	27		(182,177)		(110,445)
TAXATION	27		(226,830)		(179,590)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	27		(425,502)		194,000
ACQUISITIONS AND DISPOSALS	27		(1,347,916)		-
EQUITY DIVIDENDS PAID			(180,000)		(180,000)
CASH INFLOW BEFORE FINANCING			172,882		1,444,080
FINANCING	27		107,797		(1,350,600)
INCREASE IN CASH	27		280,679		93,480

The notes on pages 10 to 23 form part of these consolidated financial statements.

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

1. ACCOUNTING POLICIES

Basis of accounting

The consolidated financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the consolidated 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 ten 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 consolidated 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
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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 CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

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.

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.

Investments

In the company balance sheet, for fixed asset investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value only of the shares issued. Any premium is ignored.

Current asset investments are stated at the lower of cost and net realisable value.

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:

	2012 £	2011 £
United Kingdom	<u>14,595,192</u>	<u>12,821,245</u>

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2012 £	2011 £
Amortisation of intangible assets	37,197	7,500
Depreciation of owned fixed assets	283,370	234,696
Depreciation of assets held under hire purchase agreements	850,770	696,028
Loss on disposal of fixed assets	—	32,900
Profit on disposal of fixed assets	(12,878)	—
Auditor's remuneration	<u>31,025</u>	<u>30,275</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

Auditor's fees

The fees charged by the auditor can be further analysed under the following headings for services rendered

	2012	2011
	£	£
Audit of the parent company	2,500	2,500
Audit of the subsidiary companies	16,500	14,500
Accountancy services	6,025	7,275
Taxation services	6,000	6,000
	<u>31,025</u>	<u>30,275</u>

4 PARTICULARS OF EMPLOYEES

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

	2012	2011
	No	No
Number of administrative staff	28	19
Number of management staff	7	6
Number of operations staff	9	7
Number of coach drivers	151	133
Number of workshop staff	12	9
	<u>207</u>	<u>174</u>

The aggregate payroll costs of the above were

	2012	2011
	£	£
Wages and salaries	3,884,128	3,461,076
Social security costs	350,237	313,053
Other pension costs	136,220	120,714
	<u>4,370,585</u>	<u>3,894,843</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Remuneration receivable	103,750	80,775
Value of company pension contributions to money purchase schemes	100,000	95,467
	<u>203,750</u>	<u>176,242</u>

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

	2012	2011
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

6. INCOME FROM FIXED ASSET INVESTMENTS

	2012	2011
	£	£
Income from current asset investments	<u>613</u>	<u>601</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Interest payable on bank borrowing	37,065	30,722
Finance charges	139,009	74,570
Other similar charges payable	6,750	5,754
	<u>182,824</u>	<u>111,046</u>

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012	2011
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 25 17% (2011 - 27 17%)	351,108	237,502
Under provision in prior year	201	-
Total current tax	<u>351,309</u>	<u>237,502</u>
Deferred tax		
Origination and reversal of timing differences	115,091	(4,595)
Effect of changed tax rate on opening balance	(45,217)	(74,295)
Arising on acquisition of business	<u>(186,026)</u>	<u>-</u>
Total deferred tax (note 19)	<u>(116,152)</u>	<u>(78,890)</u>
Tax on profit on ordinary activities	<u>235,157</u>	<u>158,612</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

8. 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 25 17% (2011 - 27 17%)

	2012	2011
	£	£
Profit on ordinary activities before taxation	<u>1,241,062</u>	<u>859,231</u>
Profit on ordinary activities by rate of tax	312,376	233,453
Capital allowances in excess of depreciation	38,164	2,396
Expenses not deductible for tax purposes	5,367	6,406
Marginal rate relief	(4,799)	(4,753)
Under provision in prior year	<u>201</u>	<u>-</u>
Total current tax (note 8(a))	<u>351,309</u>	<u>237,502</u>

9 PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the consolidated financial statements of the parent company was £627,891 (2011 - £319,411)

10. DIVIDENDS

Equity dividends

	2012	2011
	£	£
Paid		
Equity dividends on ordinary shares	<u>180,000</u>	<u>180,000</u>

11. INTANGIBLE FIXED ASSETS

Group	Goodwill
	£
COST	
At 1st September 2011	75,000
Additions	<u>296,973</u>
At 31st August 2012	<u>371,973</u>
AMORTISATION	
At 1st September 2011	41,250
Charge for the year	<u>37,197</u>
At 31st August 2012	<u>78,447</u>
NET BOOK VALUE	
At 31st August 2012	<u>293,526</u>
At 31st August 2011	<u>33,750</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

12. TANGIBLE FIXED ASSETS

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
COST						
At 1 Sep 2011	1,869,134	353,991	174,630	11,424,400	98,099	13,920,254
Additions	835,252	4,000	–	2,162,380	12,856	3,014,488
Disposals	–	–	–	(1,258,430)	–	(1,258,430)
Acquisition of subsidiary	–	–	73,887	2,149,906	–	2,223,793
At 31 Aug 2012	2,704,386	357,991	248,517	14,478,256	110,955	17,900,105
DEPRECIATION						
At 1 Sep 2011	15,418	292,255	127,305	4,618,111	96,438	5,149,527
Charge for the year	15,417	16,389	12,190	1,084,759	5,385	1,134,140
On disposals	–	–	–	(767,622)	–	(767,622)
Acquisition of subsidiary	–	–	63,558	848,242	–	911,800
At 31 Aug 2012	30,835	308,644	203,053	5,783,490	101,823	6,427,845
NET BOOK VALUE						
At 31 Aug 2012	2,673,551	49,347	45,464	8,694,766	9,132	11,472,260
At 31 Aug 2011	1,853,716	61,736	47,325	6,806,289	1,661	8,770,727

Hire purchase agreements

Included within the net book value of £11,472,260 is £6,286,380 (2011 - £5,215,773) relating to assets held under hire purchase agreements. The depreciation charged to the consolidated financial statements in the year in respect of such assets amounted to £850,770 (2011 - £696,028).

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

12. TANGIBLE FIXED ASSETS *(continued)*

Company	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
COST				
At 1st September 2011	1,690,655	16,926	–	1,707,581
Additions	835,252	–	22,000	857,252
At 31st August 2012	2,525,907	16,926	22,000	2,564,833
DEPRECIATION				
At 1st September 2011	15,418	13,042	–	28,460
Charge for the year	15,417	1,692	–	17,109
At 31st August 2012	30,835	14,734	–	45,569
NET BOOK VALUE				
At 31st August 2012	2,495,072	2,192	22,000	2,519,264
At 31st August 2011	1,675,237	3,884	–	1,679,121

13. INVESTMENTS

Company	Group companies £
COST	
At 1st September 2011	1,215,547
Additions	1,676,192
At 31st August 2012	2,891,739
NET BOOK VALUE	
At 31st August 2012	2,891,739
At 31st August 2011	1,215,547

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

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

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

13. INVESTMENTS (continued)

On 26th March 2012 the group acquired Coliseum Coaches Limited for a consideration of £1,676,192 satisfied by cash. Goodwill arising on the acquisition of Coliseum Coaches Limited has been capitalised and will be amortised over 10 years. The investment in Coliseum Coaches Limited has been included in the company's balance sheet at its fair value at the date of acquisition.

Analysis of the acquisition of Coliseum Coaches Limited

	£
Tangible fixed assets	1,311,993
Cash acquired with subsidiary	328,276
Stocks	15,950
Trade debtors, prepayments and other debtors	176,464
Trade creditors, accruals and other creditors	(267,438)
Provision for deferred taxation	(186,026)
	<u>1,379,219</u>
Goodwill	296,973
	<u>1,676,192</u>
Satisfied by	£
Cash consideration	<u>1,676,192</u>

14. STOCKS

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Stock	<u>200,426</u>	<u>174,759</u>	<u>-</u>	<u>-</u>

15. DEBTORS

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	886,563	825,467	10,146	-
Amounts owed by group undertakings	-	-	47,610	4,076
VAT recoverable	126,774	94,611	-	-
Other debtors	26,109	10,627	9,020	9,020
Prepayments and accrued income	244,889	241,771	22,308	21,091
	<u>1,284,335</u>	<u>1,172,476</u>	<u>89,084</u>	<u>34,187</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	371,058	143,332	104,411	97,998
Payments received on account	832,244	969,259	–	–
Trade creditors	500,188	482,447	20,021	19,282
Amounts owed to group undertakings	–	–	2,654,697	1,350,903
Hire purchase agreements	1,258,306	692,917	–	–
Directors' loan accounts	110,189	22,542	110,189	22,542
Other creditors including taxation and social security				
Corporation tax	417,129	237,501	188,328	91,212
PAYE and social security	111,464	91,281	–	–
VAT	–	–	1,497	487
Other creditors	122,822	25,131	58,333	–
Accruals and deferred income	209,283	184,520	7,946	12,158
	<u>3,932,683</u>	<u>2,848,930</u>	<u>3,145,422</u>	<u>1,594,582</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.

17. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	2,205,041	889,561	1,187,641	697,765
Hire purchase agreements	3,123,595	3,039,093	–	–
	<u>5,328,636</u>	<u>3,928,654</u>	<u>1,187,641</u>	<u>697,765</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 £817,870 is due greater than five years.

18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Amounts payable within 1 year	1,258,306	692,917	–	–
Amounts payable between 2 to 5 years	3,123,595	3,039,093	–	–
	<u>4,381,901</u>	<u>3,732,010</u>	<u>–</u>	<u>–</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

19. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Provision brought forward	998,292	1,077,182	32,440	27,129
Increase/(Decrease) in provision	69,874	(78,890)	(839)	5,311
Provision carried forward	<u>1,068,166</u>	<u>998,292</u>	<u>31,601</u>	<u>32,440</u>

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

Group	2012		2011	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>1,068,166</u>	<u>-</u>	<u>998,292</u>	<u>-</u>

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

Company	2012		2011	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>31,601</u>	<u>-</u>	<u>32,440</u>	<u>-</u>

20. 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% - 2.75% over the bank's base rate, whilst the group's overdraft incurs interest at 1.7% above base

Currency risk

As at 31st August 2012 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 £500,000

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 2012. No material differences exist between book and fair value

LUCKETTS HOLDINGS LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****YEAR ENDED 31st AUGUST 2012****21 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 2012 totalled £769,192 (2011 - £646,668)

22. 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 £109,573 (2011 - £22,542), Mr S D Lockett £616 (2011 - £nil) and Mr I M Lockett £nil (2011 - £nil)

The directors received the following dividends from the company during the year

	2012	2011
	£	£
Mr D F Lockett	60,000	60,000
Mr I M Lockett	60,000	60,000
Mr S D Lockett	60,000	60,000
	<u>180,000</u>	<u>180,000</u>

23 RELATED PARTY TRANSACTIONS

During the year the company purchased freehold property at market value from Mr D Lockett, a director of the company totalling £377,000

24. SHARE CAPITAL

Authorised share capital:

	2012	2011
	£	£
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

	2012		2011	
	No	£	No	£
4,000 Ordinary shares of £1 each	4,000	4,000	4,000	4,000
6,000 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>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

25. RESERVES

Group	Profit and loss account £
Balance brought forward	2,762,549
Profit for the year	1,005,905
Equity dividends	(180,000)
Balance carried forward	<u>3,588,454</u>
Company	Profit and loss account £
Balance brought forward	743,163
Profit for the year	627,891
Equity dividends	(180,000)
Balance carried forward	<u>1,191,054</u>

26. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Profit for the financial year	1,005,905	700,619
Equity dividends	(180,000)	(180,000)
Net addition to shareholders' funds	<u>825,905</u>	<u>520,619</u>
Opening shareholders' funds	<u>2,772,549</u>	<u>2,251,930</u>
Closing shareholders' funds	<u>3,598,454</u>	<u>2,772,549</u>

27. NOTES TO THE CASH FLOW STATEMENT

**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM
OPERATING ACTIVITIES**

	2012 £	2011 £
Operating profit	1,423,239	969,676
Amortisation	37,197	7,500
Depreciation	1,134,140	930,724
(Profit)/Loss on disposal of fixed assets	(12,878)	32,900
Increase in stocks	(9,717)	(41,350)
Decrease/(increase) in debtors	64,605	(5,697)
Decrease in creditors	(101,279)	(173,638)
Net cash inflow from operating activities	<u>2,535,307</u>	<u>1,720,115</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

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

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2012	2011
	£	£
Income from other fixed asset investments	613	601
Interest received	34	—
Interest paid	(43,815)	(36,476)
Interest element of hire purchase	(139,009)	(74,570)
Net cash outflow from returns on investments and servicing of finance	<u>(182,177)</u>	<u>(110,445)</u>

TAXATION

	2012	2011
	£	£
Taxation	<u>(226,830)</u>	<u>(179,590)</u>

CAPITAL EXPENDITURE

	2012	2011
	£	£
Payments to acquire tangible fixed assets	(929,188)	—
Receipts from sale of fixed assets	503,686	194,000
Net cash (outflow)/inflow from capital expenditure	<u>(425,502)</u>	<u>194,000</u>

ACQUISITIONS AND DISPOSALS

	2012	2011
	£	£
Cash paid to acquire subsidiaries	(1,676,192)	—
Net cash acquired with subsidiary	328,276	—
Net cash outflow from acquisitions and disposals	<u>(1,347,916)</u>	<u>—</u>

FINANCING

	2012	2011
	£	£
New bank loans	1,782,500	—
Repayment of bank loans	(239,294)	(179,756)
Capital element of hire purchase	(1,435,409)	(1,170,844)
Net cash inflow/(outflow) from financing	<u>107,797</u>	<u>(1,350,600)</u>

LUCKETTS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31st AUGUST 2012

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

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2012		2011	
	£	£	£	£
Increase in cash in the period	280,679		93,480	
Net cash (inflow) from/outflow from bank loans	(1,543,206)		179,756	
Cash outflow in respect of hire purchase	<u>1,435,409</u>		<u>1,170,844</u>	
Change in net debt resulting from cash flows		172,882		1,444,080
New finance leases		(2,085,300)		(1,274,000)
Movement in net debt in the period		<u>(1,912,418)</u>		<u>170,080</u>
Net debt at 1 September 2011		<u>(4,368,190)</u>		<u>(4,538,270)</u>
Net debt at 31 August 2012		<u>(6,280,608)</u>		<u>(4,368,190)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2011 £	Cash flows £	Other changes £	At 31 Aug 2012 £
Net cash				
Cash in hand and at bank	<u>396,713</u>	<u>280,679</u>	<u>—</u>	<u>677,392</u>
Debt				
Debt due within 1 year	(143,332)	(227,726)	—	(371,058)
Debt due after 1 year	(889,561)	(1,315,480)	—	(2,205,041)
Hire purchase agreements	<u>(3,732,010)</u>	<u>1,435,409</u>	<u>(2,085,300)</u>	<u>(4,381,901)</u>
	<u>(4,764,903)</u>	<u>(107,797)</u>	<u>(2,085,300)</u>	<u>(6,958,000)</u>
Net debt	<u>(4,368,190)</u>	<u>172,882</u>	<u>(2,085,300)</u>	<u>(6,280,608)</u>