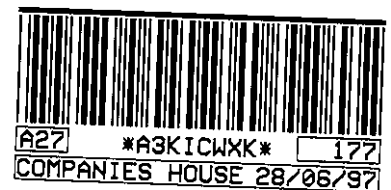


Registrar

REG NO 149159

**JACKSON LEASING LIMITED**

**FINANCIAL REPORT**  
for the year ended  
31st December 1996



**STREETS**  
**& CO**  
*Chartered Accountants*

Tower House, Lucy Tower Street, Lincoln LN1 1XW

## **JACKSON LEASING LIMITED**

Executive Chairman: J.B. Jackson  
Managing Director: S. Jackson  
Secretary: M.R. Bishop  
Registered Office: Pelham House,  
Canwick Road,  
Lincoln

### **DIRECTORS' REPORT**

The Directors submit their Report, together with the Audited Financial Statements for the year ended 31st December 1996.

### **RESULTS**

The Directors do not recommend the payment of a Dividend for the year.

On 1st January 1996 the Company suspended the activity of car leasing and transferred all assets and liabilities to the Holding Company, Jackson Building Centres Ltd. The Company has not traded since that date.

### **DIRECTORS**

The Directors of the Company at the end of the year and their interest in the Ordinary Share Capital of the Holding Company, Jackson Building Centres Ltd, were:

	<b>Ordinary Shares of £1 each</b>	
	<b>At 31.12.96</b>	<b>At 31.12.95</b>
J.B. Jackson	2,650	2,650
S. Jackson - beneficial	250	250
- non-beneficial	4,125	4,125

Mr. J.B. Jackson retires in accordance with the Articles of Association and, being eligible, offers himself for re-election.

### **DIRECTORS' RESPONSIBILITIES IN RELATION TO ACCOUNTS**

The Directors are required by the Companies Act 1985 to prepare Accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for the financial year.

In preparing the Accounts the Directors are required to select appropriate accounting policies and then apply them consistently, to make reasonable and prudent judgements and estimates, and to state that all accounting standards which they consider to be applicable have been followed, save as disclosed in the notes to the Accounts. The Directors are also required to prepare the Accounts on the going concern basis unless it is inappropriate to do so.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the Accounts comply with the Companies Act 1985. The Directors also have responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**JACKSON LEASING LIMITED**

**REPORT OF THE DIRECTORS (CONTINUED)**

**AUDITORS**

Streets & Co. have expressed their willingness to continue in office, and a resolution to re-appoint them will be proposed at the Annual General Meeting.

By Order of the Board

A handwritten signature in dark ink, appearing to be 'M.R. Bishop', written over a horizontal line.

M.R. BISHOP  
Secretary

14th April 1997

Tower House, Lucy Tower Street, Lincoln LN1 1XW. Telephone: (01522) 513311. Fax: (01522) 533234

## REPORT OF THE AUDITORS TO THE MEMBERS OF JACKSON LEASING LIMITED

We have audited the Financial Statements on pages 4 to 8 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 6.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Directors' Report, the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### OPINION

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31st December 1996 and of its Loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



STREETS & CO.  
Registered Auditor  
Chartered Accountants

14th April 1997



INVESTOR IN PEOPLE

**EURO DEF  
UK**



Neville J. Camanillo, R. Eric Hart, Nicholas J. Kirk, John Norton, Brian P. Peksley, Peter Hennell, Ronald E. C. Myland, Ralph Godley, Roger F. Miller, Roger J. Burnton, Paul F. Tutin  
Associate Partner - Richard J. Ward

Registered to carry on audit work and authorised to carry on any other business by the Institute of Chartered Accountants in England & Wales  
Other offices in Grantham, Sleaford, Peterborough, Hull, Nottingham

# JACKSON LEASING LIMITED

## Profit and Loss Account for the year ended 31st December 1996

	Notes	1996	1995
		£	£
Turnover	2	-	3,785
Depreciation		-	12,852
Other Operating Charges		<u>-</u>	<u>512</u> 13,364
<b>OPERATING LOSS BEFORE TAXATION</b>		-	(9,579)
<b>TAXATION</b>	3	<u>-</u>	<u>(2,582)</u>
<b>RETAINED LOSS FOR THE YEAR</b>		-	(6,997)
Retained Losses Brought Forward		(57,356)	(50,359)
<b>RETAINED LOSS CARRIED FORWARD</b>		<u>£(57,356)</u>	<u>£(57,356)</u>

### Continuing Operations

The Company's activities were discontinued on 1st January 1996.

### Total Recognised Gains and Losses

The Company has no recognised gains or losses other than the profit or loss for the above two financial years.

# JACKSON LEASING LIMITED

## Balance Sheet as at 31st December 1996

		1996		1995
	Notes	£	£	£
<b>FIXED ASSETS</b>				
Tangible Assets	4	-		51,383
Trade Investments		-		<u>9,700</u>
		-		61,083
<b>CURRENT ASSETS</b>				
Debtors	6	<u>342,644</u>		<u>281,561</u>
<b>NET CURRENT ASSETS</b>				
		<u>342,644</u>		<u>281,561</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
		<u>£342,644</u>		<u>£342,644</u>
<b>CAPITAL RESERVES</b>				
<b>SHARE CAPITAL</b>	<b>Authorised</b>	<b>Issued and Fully Paid</b>	<b>Authorised</b>	<b>Issued and Fully Paid</b>
Ordinary Shares of £1 each	<u>500,000</u>	400,000	<u>500,000</u>	400,000
<b>PROFIT AND LOSS ACCOUNT</b>				
		<u>(57,356)</u>		<u>(57,356)</u>
		<u>£342,644</u>		<u>£342,644</u>

The Financial Statements on pages 4 to 8 were approved by the Board of Directors on 14th April 1997 and were signed on its behalf by:



J.B. JACKSON )  
 ) DIRECTORS  
 S. JACKSON )

# JACKSON LEASING LIMITED

## Notes forming part of the Accounts for the year ended 31st December 1996

### 1. ACCOUNTING POLICIES

The Company is a wholly owned subsidiary and accordingly a Cash Flow Statement is not required.

There have been no changes in accounting policies during the year.

The Financial Statements have been prepared under the historical cost accounting convention using the following accounting policies.

#### (a) Turnover

Turnover for the current year represents sales to Group Companies at invoiced amount, less Value Added Tax.

#### (b) Pension Costs

The Company operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered Fund. The pension cost charge represents contributions payable by the Company to the fund and is shown in note 3 to the Financial Statements.

#### (c) Depreciation

Depreciation is provided on a straight line basis to write off the costs of all Fixed Assets over their expected useful lives. The expected useful lives are as follows:-

Plant, Equipment and Fittings	- 5 or 15 years as applicable
Motor Vehicles	- 5 years

#### (d) Stock

Stock is valued at the lower of cost or net realisable value.

#### (e) Deferred Taxation

Provision is made for taxation which is postponed because of the difference in the treatment of certain items for taxation and accounting purposes. The liability is only provided for where it can be reasonably foreseen that such Deferred Taxation will be payable in the future.

### 2. TURNOVER

The Turnover and Loss before Taxation arises in the UK and is attributable to one activity, the sale of Building and Plumbing materials for the previous year and car leasing for the current year.

# JACKSON LEASING LIMITED

## Notes forming part of the Accounts for the year ended 31st December 1996

### 3. TAXATION

	1996	1995
	£	£
Taxation based on Loss for the year:		
Underprovisions in prior year	-	(2,471)
Deferred Taxation Account Transfer	-	<u>(111)</u>
	£-	£(2,582)
	<u>==</u>	<u>=====</u>

### 4. TANGIBLE ASSETS

#### Motor Vehicles

<b>Cost:</b>	
At beginning of year	64,235
Additions	-
Transfer to Parent Company	<u>(64,235)</u>
<b>Cost at end of Year</b>	<u>£-</u>
<b>Depreciation:</b>	
At beginning of year	12,852
Provided for year	-
Transfer to Parent Company	<u>(12,852)</u>
<b>Depreciation at end of Year</b>	<u>£-</u>
<b>NET BOOK VALUE AT 31.12.96</b>	<u>£-</u>
<b>NET BOOK VALUE AT 31.12.95</b>	<u>£51,383</u>

### 5. INVESTMENTS

#### Unlisted Investments

	£
At the beginning of the year	9,700
Transfer to parent company	<u>(9,700)</u>
Cost at 31st December 1996	<u>£NIL</u>

The market value of listed investments at 31st December 1996 amounted to £NIL.

### 6. DEBTORS

	1996	1995
	£	£
Amounts owed from Group Companies	342,644	270,420
Other Taxes	<u>-</u>	<u>11,141</u>
	£342,644	£ 281,561
	<u>=====</u>	<u>=====</u>



# JACKSON LEASING LIMITED

Notes forming part of the Accounts  
for the year ended 31st December 1996

## 7. ULTIMATE HOLDING COMPANY

The Company's Ultimate Holding Company is Jackson Building Centres Limited, a Company incorporated in the United Kingdom.

## 8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Loss for the financial year	-	(6,997)
Opening Shareholders' Funds	<u>342,644</u>	<u>349,641</u>
Closing Shareholders' Funds	<u>£342,644</u>	<u>£342,644</u>

## 9. RELATED PARTY TRANSACTIONS

As the company is a wholly owned subsidiary of Jackson Building Centres Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Jackson Building Centres Limited, within which this company is included, can be obtained from the registered office of the company.