

Jackson Lloyd Group Limited

Directors' Report and financial statements

Registered number – 6073903

15 month period ended

31 March 2010

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Directors' Report

The directors present their Directors' Report and financial statements of the Company for the 15 month period ended 31 March 2010

Business review

The principal activity of the Company is that of a holding company

Results and dividends

The results for the period and the Company's financial position at the end of the period are shown in the attached financial statements. The directors do not recommend the payment of a dividend for the financial period (2008 £nil)

Directors

The directors who held office during the period are as follows

Mr GI Macleod
Mr SW Yates
Mr J Cooper
Mr WSD Hinshelwood (appointed 18 September 2009)
Mr LG Bainbridge (resigned 3 July 2009)
Mr D Williams (resigned 26 March 2010)
Mr S Coe (resigned 26 March 2010)

Going concern

Until 30 September 2010 the company's principal activity was that of a holding company. Following the sale of the only trading entity within the group, Jackson Lloyd Limited on 30 September 2010 the directors now intend to liquidate the company. The accounts have therefore not been prepared on a going concern basis.

Statement as to disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Mr WSD Hinshelwood
Director

3rd Floor Albemarle House
1 Albemarle Street
London
W13 4HA

16 December 2010

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. (As explained in note 1 to the financial statements, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that 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 to prevent and detect fraud and other irregularities.



KPMG LLP

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Navigation Way
Preston
PR2 2YF
United Kingdom

Independent auditor's report to the members of Jackson Lloyd Group Limited

We have audited the financial statements of Jackson Lloyd Group Limited for the period ended 31 March 2010 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). These financial statements have not been prepared on the going concern basis for the reason set out in note 1 to the financial statements.

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 2, 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

A description of the scope of an audit of the financial statements is provided on the APB's web-site at www.frc.org.uk/scope/uknp.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its loss for the period 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

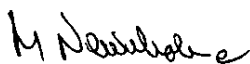
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Jackson Lloyd Group Limited *(continued)*

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, or returns adequate for our audit have not been received from branches not visited by us, or
- 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



M Newsholme (Senior Statutory Auditor)
for and on behalf of KPMG LLP,
Statutory Auditor
Chartered Accountants
Preston

20 December 2010

Profit and loss account

For the period ended 31 March 2010

	Note	15 month period ended 31 March 2010 £000 Discontinued operations	Year ended 31 December 2008 £000
Turnover	1	450	360
Administrative expenses		(7,229)	(304)
Operating (loss)/profit		(6,779)	56
Interest receivable and similar income	3	-	17
Interest payable and similar charges	4	(1,036)	(844)
Loss on ordinary activities before taxation		(7,815)	(771)
Tax on loss on ordinary activities	5	-	-
Retained loss for the financial period		(7,815)	(771)

All amounts relate to activities which have ceased, following the sale of Jackson Lloyd Limited on 30 September 2010

Statement of total recognised gains and losses

As at 31 March 2010

The company has no recognised gains or losses in the current period other than those reported above and therefore no separate statement of total recognised gains and losses has been presented

Balance sheet
as at 31 March 2010

	Note	2010 £000	2008 £000
Fixed assets			
Investments	6	1,929	9,158
Current assets			
Debtors	7	131	50
Cash at bank and in hand		2	10
		<u>133</u>	<u>60</u>
Creditors: amounts falling due within one year	8	<u>(4,879)</u>	<u>(2,491)</u>
Net current liabilities		<u>(4,746)</u>	<u>(2,431)</u>
Total assets less current liabilities		<u>(2,817)</u>	<u>6,727</u>
Creditors: amounts falling due after more than one year	9	<u>(5,855)</u>	<u>(7,584)</u>
Net liabilities		<u>(8,672)</u>	<u>(857)</u>
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account	11	(8,672)	(857)
Equity shareholders' deficit	12	<u>(8,672)</u>	<u>(857)</u>

These financial statements were approved by the board of directors on 16 December 2010 and were signed on its behalf by



Mr WSD Hinshelwood
Director

Registered number – 6073903

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

The financial statements present the results of the company individually, not the results of the group. The company is exempt from the requirement to produce consolidated accounts under section 400 of the Companies Act 2006 since it is a wholly owned subsidiary of Jackson Lloyd Holdings Limited

Under Financial Reporting Standard ("FRS") 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

Going Concern

In previous years, the financial statements have been prepared on a going concern basis. However, following the sale of Jackson Lloyd Limited, the Company's only trading subsidiary, on 30 September 2010, the directors have not prepared the financial statements on a going concern basis

The directors have written down the value of the investment in Jackson Lloyd Limited to the recoverable amount. No further adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements

Taxation

The credit for taxation is based on the loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Related Party Transactions

As the company is a wholly owned subsidiary of Jackson Lloyd Holdings 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 (or investees of the group qualifying as related parties)

Debt

Debt is initially stated at the amount of the net proceeds after deducting any issue costs which are amortised over the life of the debt in accordance with FRS 4

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services during the period

All turnover is derived wholly in the United Kingdom

2 Staff numbers and costs

The company had no employees during the year. The directors of the Company received no remuneration in respect of their services

Notes (continued)

3 Interest receivable and similar income

	15 month period ended 31 March 2010 £000	Year ended 31 December 2008 £000
Bank interest	-	17

4 Interest payable and similar charges

	15 month period ended 31 March 2010 £000	Year ended 31 December 2008 £000
On loan notes	518	414
On bank loans	206	205
Amortisation of debt issue costs	19	15
On loans from group undertakings	293	210
	<u>1,036</u>	<u>844</u>

5 Taxation

Analysis of credit in period

	15 month period ended 31 March 2010 £000	Year ended 31 December 2008 £000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Deferred tax – short term timing differences	-	-
	<u>-</u>	<u>-</u>
Tax on loss on ordinary activities	-	-
	<u>-</u>	<u>-</u>

Factors affecting the tax credit for the current period

The current tax credit for the period is higher (2008 higher) than the standard rate of corporation tax in the UK 28%. The differences are explained below

	15 month period ended 31 March 2010 £000	Year ended 31 December 2008 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(7,815)	(771)
	<u>(7,815)</u>	<u>(771)</u>
Current tax at 28% (2008 28.5%)	(2,188)	(219)
	<u>(2,188)</u>	<u>(219)</u>
<i>Effects of</i>		
Impairment not allowable for tax purposes	2,024	-
Losses carried forward	82	159
Group relief for nil consideration	82	60
	<u>2,188</u>	<u>219</u>
Total current tax (see above)	-	-
	<u>-</u>	<u>-</u>

Notes (continued)

6 Investments

	2010
	£000
<i>Cost</i>	
At beginning and end of period	9,158
	<u> </u>
<i>Provisions</i>	
At beginning of period	-
Charge for period	(7,229)
	<u> </u>
At end of period	(7,229)
	<u> </u>
Net book value at 31 March 2010	1,929
	<u> </u>
Net book value 31 December 2008	9,158
	<u> </u>

The investment represents 100% of the ordinary share capital of Jackson Lloyd Limited, a building contractor registered in England and Wales. A provision of £7,229,000 was created against the value of the investment in the period, to ensure the carrying value of the investment reflects the recoverable amount.

7 Debtors

	2010	2008
	£000	£000
Amounts owed from group undertakings	131	50
	<u> </u>	<u> </u>

8 Creditors: amounts falling due within one year

	2010	2008
	£000	£000
Amounts owed to group undertakings	2,511	2,218
Accruals and deferred income	73	88
Bank loan	2,295	185
	<u> </u>	<u> </u>
	4,879	2,491
	<u> </u>	<u> </u>

Notes (continued)

9 Creditors: amounts falling due after more than one year

	2010 £000	2008 £000
Bank loans	-	2,242
Loan notes	5,855	5,342
	<u>5,855</u>	<u>7,584</u>

Bank loans

The bank loans are repayable as follows

	2010 £000	2008 £000
Instalments payable		
Within one year	2,350	200
Between one and two years	-	400
Between two and five years	-	1,900
Less Debt issue costs	(55)	(73)
	<u>2,295</u>	<u>2,427</u>

At the prior year end the term loan of £2,500,000 was repayable by quarterly instalments, recommencing March 2011. At the current period end the entire bank loan has been classified as current due to a breach of certain banking covenants at the year end such that loans are repayable at the discretion of the bank. Interest is charged at 2.25% above LIBOR. The loan is secured over certain of the group's assets.

10 Called up share capital

	2010 £	2008 £
<i>Authorised</i>		
1,000 ordinary shares of £1.00 each	1,000	1,000
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1.00	1	1

11 Movement in reserves

	Profit and loss account £000
At 1 January 2009	(857)
Retained loss for the period	(7,815)
At 31 March 2010	<u>(8,672)</u>

Notes (continued)

12 Reconciliation of movements in equity shareholder's deficit

	2010 £000	2008 £000
At beginning of the period	(857)	(86)
Loss for the period	(7,815)	(771)
At end of period	<u>(8,672)</u>	<u>(857)</u>

13 Events after the balance sheet date

On 30 September 2010 the group disposed of 100% of the share capital of the only trading entity within the group, Jackson Lloyd Limited. As a result of this disposal, the directors now intend to liquidate the company and these financial statements have therefore not been prepared on a going concern basis.

14 Ultimate parent company and parent company

The ultimate controlling party is Jackson Lloyd Holdings Limited, a company registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is Jackson Lloyd Holdings Limited. The Consolidated financial statements of Jackson Lloyd Holdings Limited are available to the public and may be obtained from

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ