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DELOITTE
HASKINS & SELLS

BARRATT PROPERTIES LIMITED

Annual Report
1982



BARRATT PROPERTIES LIMITED

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BARRATT PROPERTIES LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the audited accounts for the year ended 30th June 1982.

ACTIVITIES OF THE COMPANY

The principal activities of the company are property investment, property development and property trading.

RESULTS

The results for the year are set out in the profit and loss account on page 6. During the year interim dividends totalling £153,000 were paid. At 30th June 1982 the company's properties were revalued by the directors and the resultant surplus of £2,535,871 has been credited to capital reserves.

DIRECTORS

The directors who held office during the year were:

Sir Lawrie Barratt (Chairman)
F.J. Hutchins
R.W.R. James
D.R. Broadhead
J.A. Bailey

Mr. J.W. Leicester was appointed a director on 1st July 1982.

The directors' interests in the shares of the holding company were as follows:-

	30th June 1982	30th June 1981
F.J. Hutchins	-	-
J.A. Bailey	-	-
D.R. Broadhead	3,750	-

The other directors are also directors of the holding company and details of their interests are shown in the accounts of that company.

The participants in the group employee share participation scheme for the year ended 30th June 1982 included the following directors of the company:

The beneficial interest in the ordinary shares of Barratt Developments plc under this scheme are:

F.J. Hutchins	829
D.R. Broadhead	318

BARRATT PROPERTIES LIMITED

DIRECTORS' REPORT (Continued)

FIXED ASSETS AND INVESTMENT PROPERTIES

The movement on fixed assets and investment properties during the year are set out in notes 8 and 9.

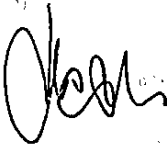
TAXATION

The company does not fall within the close company provisions of the Income and Corporation Taxes Act 1970.

AUDITORS

In accordance with Section 14 of the Companies Act 1976 a resolution proposing the reappointment of Deloitte Haskins & Sells as auditors to the company will be put to the annual general meeting.

BY ORDER OF THE BOARD



Secretary

Newcastle upon Tyne
26th August 1982

PARRATT PROPERTIES LIMITED

AUDITORS' REPORT

We have audited the financial statements on pages 5 to 13 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th June 1982 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

Deloitte Haskins & Sells

Chartered Accountants.

Newcastle upon Tyne
26th August 1982

BARRATT PROPERTIES LIMITED

ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The company prepares its annual accounts on the historical cost basis of accounting.

(b) TURNOVER

Turnover represents rents receivable.

(c) DEFERRED TAXATION

Provision is made for deferred taxation, at the current rate of taxation, except where there is a reasonable probability that no such liability will arise in the foreseeable future.

(d) DEPRECIATION

Plant is depreciated on a straight line basis over its expected useful life which ranges from one to ten years.

(e) INVESTMENT PROPERTIES

Completed investment properties are included in the balance sheet at their open market value. Properties under development are stated at cost.

(f) 1981 COMPANIES ACT

The company is not yet required to comply with the accounting and disclosure provisions of Part 1 of the Companies Act 1981. These financial statements are drawn up in accordance with Section 149A of, and Schedule 8A to, the Companies Act 1948.

BARRATT PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1982

	Notes	1982 £	1981 £
TURNOVER		£ 1,601,834	£ 1,092,950
		<u> </u>	<u> </u>
PROFIT BEFORE TAXATION	1	365,182	18,856
TAXATION	3	158,400	(10,500)
		<u> </u>	<u> </u>
PROFIT AFTER TAXATION		206,782	29,356
DIVIDEND		(153,000)	(127,000)
		<u> </u>	<u> </u>
RETAINED PROFIT/(DEFICIT) FOR THE YEAR		£ 53,782	£ (97,644)
		<u> </u>	<u> </u>

BARRATT PROPERTIES LIMITED

BALANCE SHEET AT 30TH JUNE 1982

	Notes	1982 £	1981 £
FIXED ASSETS	8	23,036	24,850
INVESTMENT PROPERTIES	9	33,573,331	26,008,715
MORTGAGE LOANS		<u>67,945</u>	<u>96,384</u>
		<u>33,664,312</u>	<u>26,129,949</u>
CURRENT ASSETS			
Short term deposit		24,726	21,989
Debtors		290,209	150,073
Due from group companies		<u>70,238</u>	<u>145,400</u>
		<u>385,173</u>	<u>317,462</u>
CURRENT LIABILITIES			
Due to group companies		62,909	55,001
Amount payable in respect of group relief		280,000	59,600
Creditors		1,975,177	2,025,246
Bank overdraft (Secured)		<u>1,506,660</u>	<u>337,205</u>
		<u>3,824,746</u>	<u>2,477,052</u>
NET CURRENT (LIABILITIES)		<u>(3,439,573)</u>	<u>(2,159,590)</u>
		<u>£ 30,224,739</u>	<u>£ 23,970,359</u>
Financed by:			
SHARE CAPITAL	4	5,000	5,000
RESERVES	5	<u>16,914,190</u>	<u>14,324,537</u>
		<u>16,919,190</u>	<u>14,329,537</u>
LONG TERM LOANS	6	7,623,000	5,366,000
LOANS FROM GROUP COMPANIES	7	<u>5,682,549</u>	<u>4,274,822</u>
		<u>£ 30,224,739</u>	<u>£ 23,970,359</u>

James Harrington
John
 Directors

26th August 1982

BARRATT PROPERTIES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 30TH JUNE 1982

	1982 £	1981 £
SOURCE OF FUNDS		
Profit before taxation	365,182	18,856
Adjustment for items not involving the movement of funds:		
Depreciation	5,766	12,259
Profit on sale of fixed assets	-	(299)
Profit on sale of land and investment properties	-	(284,666)
Generated from operations	370,948	(253,850)
FUNDS FROM OTHER SOURCES		
Group relief receivable	-	10,500
Proceeds from sale of land and investment properties	4,580	674,000
Proceeds from sale of fixed assets	500	7,775
Receipts from group companies	1,407,727	1,428,760
Bank loan	2,257,000	-
	4,040,755	1,867,185
APPLICATION OF FUNDS		
Bank loans repaid	-	(528,000)
Dividend paid	(153,000)	(127,000)
Purchase of fixed assets	(4,452)	(16,559)
Expended on investment properties	(5,033,325)	(2,751,477)
	£(1,150,022)	£(1,565,851)
(DECREASE) IN WORKING CAPITAL		
Debtors	111,697	30,008
Creditors	50,069	(1,189,284)
Group balances	(145,070)	(99,804)
Movement in net liquid funds:		
Bank overdraft	(1,166,718)	(306,771)
	£(1,150,022)	£(1,565,851)

BARRATT PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

1. PROFIT BEFORE TAXATION

	1982 £	1981 £
After charging:		
Directors' management remuneration	137,799	113,553
Interest on long term loan	7,050	7,050
Bank interest	1,253,454	1,112,010
Depreciation	5,766	12,259
Auditors' remuneration	6,000	3,293
Interest to other group companies	25,706	81,339
	<u> </u>	<u> </u>
After crediting:		
Profit on sale of fixed assets and investment properties	347,125	284,965
Interest receivable	12,103	48,907
Interest from other group companies	3,955	-
	<u> </u>	<u> </u>

2. PARTICULARS OF DIRECTORS' EMOLUMENTS

	1982	1981
Chairman	£ -	£ -
	<u> </u>	<u> </u>
Highest paid director	£ 51,825	£ 42,603
	<u> </u>	<u> </u>
Other directors		
	Number of Directors	Number of Directors
	1982	1981
£0 - £5,000	1	1
£30,001 - £35,000	-	2
£35,001 - £40,000	2	-
	<u> </u>	<u> </u>

BARRATT PROPERTIES LIMITED
NOTES TO THE ACCOUNTS (Continued)

3. TAXATION

	1982 £	1981 £
(Over)/Underprovision in prior years	(121,600)	134,600
Group relief payable/(receivable) at a rate of 52%	280,000	(145,100)
	<u>£ 158,400</u>	<u>£ (10,500)</u>

4. SHARE CAPITAL

	1982 and 1981	
	Authorised	Issued and fully paid
Ordinary shares of £1 each	£ 5,000	£ 5,000
	<u>£ 5,000</u>	<u>£ 5,000</u>

5. RESERVES

	£
CAPITAL	
At 1st July 1981	14,125,373
Transfer of unrealised deficit on sale of properties	(5,736)
Surplus on revaluation of investment properties	2,535,871
	<u>£ 16,655,458</u>
At 30th June 1982	

	£
REVENUE	
At 1st July 1981	199,164
Transfer of unrealised deficit on sale of properties	5,786
Profit for year	53,782
	<u>£ 258,732</u>
At 30th June 1982	

TOTAL AT 30TH JUNE 1982 £ 16,914,190

BARRATT PROPERTIES LIMITED

NOTES TO THE ACCOUNTS (Continued)

6. LONG TERM LOANS

A loan of £94,000 is secured by a first legal mortgage on the company's property at Wingrove House, Ponteland Road, Newcastle upon Tyne and is repayable in full on 6th April 1987. Interest is payable at 7.5% per annum, or in the event of any default on the terms of the mortgage, at 8.5% per annum.

The company has facilities with the bank of £8,272,000 for ten years secured by a floating charge over the assets, of which £8,272,000 has been drawn down to date. Included in these facilities is a £3,500,000 loan repayable in yearly tranches of £500,000, the next being due in March 1983, a £1,600,000 loan repayable in yearly tranches of £200,000, the next being due in February 1983 and a £3,000,000 loan repayable in January 1987.

7. LOANS FROM GROUP COMPANIES

Loans from group companies represent interest free loans with no fixed date for repayment.

8. FIXED ASSETS

	Plant £
Cost	
At 1st July 1981	32,322
Additions	4,452
Disposals	(1,266)
	<hr/>
At 30th June 1982	35,508
	<hr/>
Accumulated depreciation	(12,472)
	<hr/>
Net book value at 30th June 1982	£ 23,036
	<hr/>
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Net book value at 30th June 1981	£ 24,850
	<hr/>
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BARRATT PROPERTIES LIMITED

NOTES TO THE ACCOUNTS (Continued)

9. INVESTMENT PROPERTIES

	<u>Freehold</u> £	<u>Long leasehold</u> £	<u>Total</u> £
Cost and valuation			
At 1st July 1981	20,154,580	5,854,135	26,008,715
Additions	1,771,357	3,261,968	5,033,325
Disposals	(4,580)	-	(4,580)
Revaluation	1,860,871	675,000	2,535,871
	<u>£ 23,782,228</u>	<u>£ 9,791,103</u>	<u>£ 33,573,331</u>
Comprises: Cost	1,802,228	3,491,103	5,293,331
Valuation 1982	21,980,000	6,300,000	28,280,000
	<u>£ 23,782,228</u>	<u>£ 9,791,103</u>	<u>£ 33,573,331</u>

The completed investment properties were internally valued at 30th June 1982 on an open market value basis by F.J. Hutchins, F.R.I.C.S.

10. CAPITAL COMMITMENTS

	1982 £	1981 £
Authorised by the board but not contracted	£ -	£ 3,718,013
Authorised and contracts placed	£ 6,181,221	£ 550,000

BARRATT PROPERTIES LIMITED

NOTES TO THE ACCOUNTS (Continued)

11. CONTINGENT LIABILITIES

There is a contingent liability for deferred taxation as follows:

	1982 £	1981 £
Plant	120,500	159,800
Property revaluation	4,371,494	4,371,494
	<u> </u>	<u> </u>
	£ 4,491,994	£ 4,531,249
	<u> </u>	<u> </u>

The company has given an unlimited guarantee in respect of the overdraft of Barratt Newcastle Limited. In the opinion of the directors no loss will result from this guarantee.

12. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Barratt Developments plc, a company incorporated in England.