

COMPANY REGISTRATION NUMBER 374953

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**THE LARMAR ENGINEERING COMPANY LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR**  
**31st MARCH 2006**



**EDMUND CARR**  
Chartered Accountants  
146 New London Road  
Chelmsford  
Essex  
CM2 0AW

**THE LARMAR ENGINEERING COMPANY LIMITED**

**ABBREVIATED ACCOUNTS**

**YEAR ENDED 31st MARCH 2006**

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**THE LARMAR ENGINEERING COMPANY LIMITED****ABBREVIATED BALANCE SHEET****31st MARCH 2006**

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	Note	2006 £	£	2005 £	£
<b>FIXED ASSETS</b>	<b>2</b>				
Tangible assets			598,792		595,135
<b>CURRENT ASSETS</b>					
Stocks		57,584		54,878	
Debtors		257,569		264,691	
Cash at bank and in hand		566,170		530,409	
		<u>881,323</u>		<u>849,978</u>	
<b>CREDITORS: Amounts falling due within one year</b>		<u>244,542</u>		<u>251,744</u>	
<b>NET CURRENT ASSETS</b>			<u>636,781</u>		<u>598,234</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,235,573		1,193,369
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			20,800		26,750
			<u>1,214,773</u>		<u>1,166,619</u>

The Balance sheet continues on the following page.

The notes on pages 3 to 6 form part of these abbreviated accounts.

# THE LARMAR ENGINEERING COMPANY LIMITED

## ABBREVIATED BALANCE SHEET *(continued)*

31st MARCH 2006

	Note	2006 £	2005 £
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	3	4,620	4,620
Revaluation reserve		245,000	195,000
Other reserves		433	433
Profit and loss account		964,720	966,566
<b>SHAREHOLDERS' FUNDS</b>		<u>1,214,773</u>	<u>1,166,619</u>

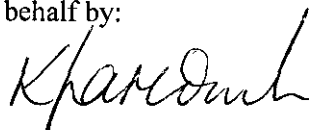
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 25th September 2006 and are signed on their behalf by:



MR. K.J. LARCOMBE



MR. M.J. LARCOMBE

The notes on pages 3 to 6 form part of these abbreviated accounts.

# THE LARMAR ENGINEERING COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2006

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### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

#### **Changes in accounting policies**

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

-Financial Reporting Standard for Smaller Entities (effective January 2005).

The adoption of the Financial Reporting Standard for Smaller Entities (effective January 2005) has had no effect on the results for the current period, except for the change in presentation of equity dividends, which are disclosed in a note to the accounts. Previously dividends were disclosed on the face of the profit and loss account.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

#### **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	- 1% straight line
Plant & Machinery	- 10% straight line
Office Furniture & Equipment	- 20% straight line
Motor Vehicles	- 20% straight line

# **THE LARMAR ENGINEERING COMPANY LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31st MARCH 2006**

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### **1. ACCOUNTING POLICIES *(continued)***

#### **Investment properties**

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the FRSSSE which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

#### **Stocks**

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

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **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.

# THE LARMAR ENGINEERING COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2006

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### 1. ACCOUNTING POLICIES *(continued)*

#### **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, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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.

#### **Long term contracts**

Long term contracts are dealt with in accordance with SSAP(9) revised. Turnover attributable to each contract is assessed on the basis of the stage of completion of each individual contract. Where the recorded turnover is in excess of payments on account made to date, this excess is shown under debtors as 'amounts recoverable on contracts'. Where payments on account exceed recorded turnover the excess is shown under creditors. Provision is made for any foreseeable losses at the balance sheet date.

# THE LARMAR ENGINEERING COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2006

### 2. FIXED ASSETS

	<b>Tangible Assets £</b>
<b>COST OR VALUATION</b>	
At 1st April 2005	1,223,896
Additions	30,574
Disposals	(116,011)
Revaluation	50,000
<b>At 31st March 2006</b>	<u><b>1,188,459</b></u>
<b>DEPRECIATION</b>	
At 1st April 2005	628,761
Charge for year	70,737
On disposals	(109,831)
<b>At 31st March 2006</b>	<u><b>589,667</b></u>
<b>NET BOOK VALUE</b>	
<b>At 31st March 2006</b>	<u><b>598,792</b></u>
At 31st March 2005	<u><b>595,135</b></u>

The freehold investment property is valued at the year end at its open market value by the directors.

### 3. SHARE CAPITAL

#### Authorised share capital:

	<b>2006 £</b>	<b>2005 £</b>
5,000 Ordinary shares of £1 each	<u><b>5,000</b></u>	<u><b>5,000</b></u>

#### Allotted, called up and fully paid:

	<b>2006 No</b>	<b>£</b>	<b>2005 No</b>	<b>£</b>
Ordinary shares of £1 each	<u><b>4,620</b></u>	<u><b>4,620</b></u>	<u><b>4,620</b></u>	<u><b>4,620</b></u>