

**The Larmar Engineering Co Limited**

(abbreviated accounts)

Year Ended

31 March 1996



**BDO Stoy Hayward**  
Chartered Accountants



Registered Number 374953

# THE LARMAR ENGINEERING CO LIMITED

## Report of the auditors

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### To the shareholders of The Larmar Engineering Co Limited

Auditors' report to The Larmar Engineering Co Limited pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated accounts on pages 3 to 5 together with the financial statements of The Larmar Engineering Co Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1996.

#### *Respective responsibilities of director and auditors*

The director is responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 1 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

#### *Basis of opinion*

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on those financial statements.

#### *Opinion*

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 March 1996, and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

#### *Other information*

Today we reported, as auditors of The Larmar Engineering Co Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1996, and our report was as follows:

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

#### *Respective responsibilities of director and auditors*

As described on page 1 the company's director is responsible for the preparation of the 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.

# THE LARMAR ENGINEERING CO LIMITED

## Report of the auditors (*Continued*)

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### *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 director 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 31 March 1996, and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



**BDO Stoy Hayward**  
*Chartered Accountants  
and Registered Auditors*  
Chelmsford

26 November 1996

# THE LARMAR ENGINEERING CO LIMITED

## Balance sheet at 31 March 1996

|   | Note | 1996           |                | 1995           |                |
|---|------|----------------|----------------|----------------|----------------|
|   |      | £              | £              | £              | £              |
| <b>Fixed assets</b>                                   |      |                |                |                |                |
| Tangible assets                                       | 2    |                | 390,385        |                | 267,567        |
| <b>Current assets</b>                                 |      |                |                |                |                |
| Stocks  |      | 33,717         |                | 42,429         |                |
| Debtors - due within one year                         |      | 358,404        |                | 252,422        |                |
| - due after more than one year                        |      | 1,733          |                | 1,502          |                |
| Cash at bank and in hand                              |      | 219,089        |                | 281,933        |                |
|   |      | <u>612,943</u> |                | <u>578,286</u> |                |
| <b>Creditors: amounts falling due within one year</b> |      | <u>356,118</u> |                | <u>237,616</u> |                |
| <b>Net current assets</b>                             |      |                | 256,825        |                | 340,670        |
| <b>Total assets less current liabilities</b>          |      |                | 647,210        |                | 608,237        |
| <b>Provisions for liabilities and charges</b>         |      |                |                |                |                |
| Deferred taxation                                     |      |                | 25,350         |                | 23,850         |
|   |      |                | <u>621,860</u> |                | <u>584,387</u> |
| <b>Capital and reserves</b>                           |      |                |                |                |                |
| Called up share capital - equity                      | 3    |                | 4,620          |                | 4,620          |
| Capital reserve - equity                              |      |                | 433            |                | 433            |
| Profit and loss account - equity                      |      |                | 616,807        |                | 579,334        |
|   |      |                | <u>621,860</u> |                | <u>584,387</u> |

In preparing these abbreviated accounts we have relied upon sections 246 and 247 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those sections as a small company.

These financial statements were approved by the Board on 21/11/96

D Larcombe

P Larcombe  
Directors

The notes on pages 4 and 5 form part of these financial statements.

# THE LARMAR ENGINEERING CO LIMITED

Notes forming part of the financial statements for the year ended 31 March 1996

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## 1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following accounting policies have been applied:

### *Turnover*

Turnover represents the total amount receivable in the ordinary course of business for goods sold excluding value added tax. The directors are of the opinion that as the classes of business do not differ substantially and no exports are made directly, an analysis into geographical markets and product type is not necessary.

### *Depreciation and amortisation*

No depreciation is provided on freehold buildings. In the opinion of the directors the amount not provided is immaterial.

Other fixed assets are depreciated on a straight line basis over their estimated working lives as follows:

|                                   | Annual rate |
|-----------------------------------|-------------|
| Plant and machinery               | 7½ %        |
| Furniture, fittings and equipment | 10 %        |
| Computer software                 | 33⅓ %       |
| Motor vehicles                    | 20 %        |

### *Stocks and work in progress*

Stock is stated at the lower of cost and net realisable value.

Work in progress is stated at prime cost inclusive of production overheads but exclusive of selling and administrative expenses.

### *Deferred tax*

Deferred tax in respect of accelerated capital allowances and other timing differences is provided under the liability method except where such timing differences are expected, with reasonable probability, to continue in the foreseeable future. No provision is made in respect of freehold land and buildings.

### *Pensions*

The company operates 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 amounted to £9,463 (1995 - £7,813). All contributions were paid during the year.

# THE LARMAR ENGINEERING CO LIMITED

Notes forming part of the financial statements for the year ended 31 March 1996 (Continued)

## 2 Tangible assets

|                       | Freehold<br>land and<br>buildings<br>£ | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|-----------------------|--|-----------------------------|----------------------------------|------------------------|------------|
| <i>Cost</i>           |  |                             |                                  |                        |            |
| At 1 April 1995       | 60,554                                 | 682,411                     | 43,848                           | 95,894                 | 882,707    |
| Additions             | 82,032                                 | 58,034                      | -                                | 33,688                 | 173,754    |
| Disposals             | -                                      | -                           | -                                | (20,546)               | (20,546)   |
|                       | <hr/>                                  | <hr/>                       | <hr/>                            | <hr/>                  | <hr/>      |
| At 31 March 1996      | 142,586                                | 740,445                     | 43,848                           | 109,036                | 1,035,915  |
|                       | <hr/>                                  | <hr/>                       | <hr/>                            | <hr/>                  | <hr/>      |
| <i>Depreciation</i>   |  |                             |                                  |                        |            |
| At 1 April 1995       | -                                      | 509,935                     | 31,969                           | 73,236                 | 615,140    |
| Provided for the year | -                                      | 32,571                      | 2,916                            | 12,408                 | 47,895     |
| Disposals             | -                                      | -                           | -                                | (17,505)               | (17,505)   |
|                       | <hr/>                                  | <hr/>                       | <hr/>                            | <hr/>                  | <hr/>      |
| At 31 March 1996      | -                                      | 542,506                     | 34,885                           | 68,139                 | 645,530    |
|                       | <hr/>                                  | <hr/>                       | <hr/>                            | <hr/>                  | <hr/>      |
| <i>Net book value</i> |  |                             |                                  |                        |            |
| At 31 March 1996      | 142,586                                | 197,939                     | 8,963                            | 40,897                 | 390,385    |
|                       | <hr/>                                  | <hr/>                       | <hr/>                            | <hr/>                  | <hr/>      |
| At 31 March 1995      | 60,554                                 | 172,476                     | 11,879                           | 22,658                 | 267,567    |
|                       | <hr/>                                  | <hr/>                       | <hr/>                            | <hr/>                  | <hr/>      |

## 3 Share capital

|                            | Authorised |           | Allotted, called up<br>and fully paid |           |
|----------------------------|------------|-----------|---------------------------------------|-----------|
|                            | 1996<br>£  | 1995<br>£ | 1996<br>£                             | 1995<br>£ |
| Ordinary shares of £1 each | 5,000      | 5,000     | 4,620                                 | 4,620     |
|                            | <hr/>      | <hr/>     | <hr/>                                 | <hr/>     |

## 4 Capital commitments

|                | 1996<br>£ | 1995<br>£ |
|----------------|-----------|-----------|
| Contracted for | -         | 160,000   |
|                | <hr/>     | <hr/>     |