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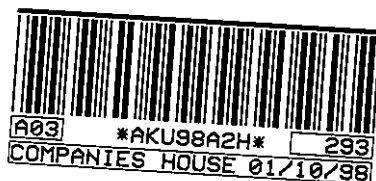
374953

The Larmar Engineering Co Limited

Report and Financial Statements

Year Ended

31 March 1998



BDO

BDO Stoy Hayward
Chartered Accountants

THE LARMAR ENGINEERING CO LIMITED

Annual report and financial statements for the year ended 31 March 1998

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Directors

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Directors

Mr D Larcombe
Mr P Larcombe
Mrs H E M Larcombe
Mr K J Larcombe
Mr M J Larcombe
Mr A C Larcombe

Secretary and registered office

Mr D Larcombe, London Road, Margaretting, Ingatestone, Essex.

Company number

374953 (England and Wales)

Auditors

BDO Stoy Hayward, 66 Broomfield Road, Chelmsford, CM1 1SW

THE LARMAR ENGINEERING CO LIMITED

Report of the auditors

Auditors' report to The Larmar Engineering Co Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 4 together with the financial statements of the company for the year ended 31 March 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

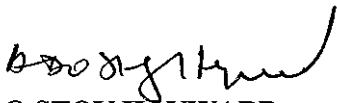
The directors are responsible for preparing abbreviated financial statements in accordance with section 246 of the Companies Act. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.


BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
Chelmsford

30 September 1998

THE LARMAR ENGINEERING CO LIMITED

Balance sheet at 31 March 1998

	Note	1998		1997	
		£	£	£	£
Fixed assets					
Tangible assets	2		474,361		444,534
Current assets					
Stocks		42,486		39,470	
Debtors - due within one year		251,668		271,367	
- due after more than one year		2,079		2,195	
Cash at bank and in hand		221,132		273,266	
		517,365		586,298	
Creditors: amounts falling due within one year		272,620		351,894	
Net current assets			244,745		234,404
Total assets less current liabilities			719,106		678,938
Provision for liabilities and charges					
Deferred taxation			26,600		20,730
Net assets			692,506		658,208
Capital and reserves					
Called up share capital - equity	3		4,620		4,620
Capital reserve - equity			433		433
Profit and loss account - equity			687,453		653,155
Shareholders' funds			692,506		658,208

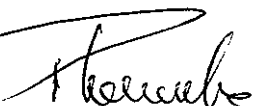
These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 22 September 1998.

D Larcombe



P Larcombe
Directors



The notes on pages 3 and 4 form part of these financial statements.

THE LARMAR ENGINEERING CO LIMITED

Notes forming part of the financial statements for the year ended 31 March 1998

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.

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	33 ¹ / ₃ %
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 taxation

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 £20,866 (1997 - £20,863). £7,000 (1997 - £9,000) of contributions were unpaid at the year end.

THE LARMAR ENGINEERING CO LIMITED

Notes forming part of the financial statements for the year ended 31 March 1998 (*Continued*)

2 Tangible assets

	Total £
<i>Cost</i>	
At 1 April 1997	1,130,664
Additions	99,528
Disposals	(9,300)
	<hr/>
At 31 March 1998	1,220,892
	<hr/>
<i>Depreciation</i>	
At 1 April 1997	686,130
Provided for the year	68,960
Disposals	(8,559)
	<hr/>
At 31 March 1998	746,531
	<hr/>
<i>Net book value</i>	
At 31 March 1998	474,361
	<hr/>
At 31 March 1997	444,534
	<hr/>

3 Share capital

	Authorised		Allotted, called up and fully paid	
	1998	1997	1998	1997
	£	£	£	£
Ordinary shares of £1 each	5,000	5,000	4,620	4,620
	<hr/>	<hr/>	<hr/>	<hr/>