LARCO LIMITED

ABBREVIATED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2000

REGISTERED NUMBER: 189921



Scott & Paterson
Chartered Accountants

LARCO LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2000

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LARCO LIMITED

ABBREVIATED BALANCE SHEET
AT 31 DECEMBER 2000

	Notes	£	2000 £	£	1999 £
FIXED ASSETS					
Tangible assets	2		**412,787**		430,564
CURRENT ASSETS					
Stocks		**130,469**		103,361	
Debtors		**148,695**		164,439	
Cash at bank and in hand		**104**		96	
		279,268		267,896	
CREDITORS: amounts falling due within one year	3	**(321,509)**		(329,541)	
NET CURRENT LIABILITIES			**(42,241)**		(61,645)
TOTAL ASSETS LESS CURRENT LIABILITIES			**370,546**		368,919
CREDITORS: amounts falling due after more than one year			**(103,177)**		(111,074)
ACCRUALS AND DEFERRED INCOME					
Deferred government grants			**(8,800)**		(9,000)
NET ASSETS			**258,569**		248,845
CAPITAL AND RESERVES					
Called up share capital	4		**2,000**		2,000
Revaluation reserve			**153,024**		156,062
Profit and loss account			**103,545**		90,783
TOTAL SHAREHOLDERS' FUNDS			**258,569**		248,845

ABBREVIATED BALANCE SHEET - (CONTINUED)
AT 31 DECEMBER 2000

DIRECTORS' DECLARATION

The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that:

i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;

ii) The financial statements give a true and fair view of the state of affairs of the company as at 31 December 2000 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

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

Approved by the board of directors on 1 MARCH 2001 and signed on its behalf by the following directors:

.....
Mr M.D. Harrington

.....
Mr R.N. Shepherd

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover
Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Tangible fixed assets
The transitional provisions of the Financial Reporting Standard for Smaller Entities (effective March 2000), have been applied for assets subject to valuation at 31 December 2000.

Depreciation of tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Heritable property	2% per annum on cost
Long leasehold land & buildings	Straight line over the term of the lease
Hire equipment	25% reducing balance
Fixtures and equipment	20% reducing balance
Motor vehicles	25% reducing balance

Government grants
Government grants in respect of capital expenditure are credited to the profit and loss account over the estimated useful life of the relevant fixed assets. The grants shown in the balance sheet represent the total grants receivable to date less the amount so far credited to the profit and loss account.

Stocks
Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate portion of variable and fixed overheads.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Deferred taxation
Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Leasing and hire purchase commitments
Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

1. STATEMENT OF ACCOUNTING POLICIES - (continued)

Pension costs
The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

2. TANGIBLE FIXED ASSETS

	Land and buildings	Hire equipment	Fixtures and office equipment	Motor vehicles	Total
	£	£	£	£	£
Cost:					
At 1 January 2000	300,000	31,805	114,720	173,107	**619,632**
Additions	-	3,273	10,894	28,995	**43,162**
Disposals	-	(5,718)	-	(50,423)	**(56,141)**
At 31 December 2000	**300,000**	**29,360**	**125,614**	**151,679**	**606,653**
Depreciation:					
At 1 January 2000	5,667	17,756	75,760	89,885	**189,068**
Charge for year	5,592	2,779	9,828	20,794	**38,993**
On disposals	-	(3,680)	-	(30,515)	**(34,195)**
At 31 December 2000	**11,259**	**16,855**	**85,588**	**80,164**	**193,866**
Net book value:					
At 31 December 2000	**288,741**	**12,505**	**40,026**	**71,515**	**412,787**
At 31 December 1999	294,333	14,049	38,960	83,222	**430,564**

	2000	1999
	£	£
Analysis of net book value of land and buildings:		
Freehold	**192,080**	196,000
Long leasehold	**96,661**	98,333
	288,741	294,333

2. TANGIBLE FIXED ASSETS - (continued)

	2000 £	1999 £
If shown on an historical cost basis, the revalued tangible assets would be stated as follows:		
Heritable property		
Cost	**134,974**	**134,974**
Depreciation	**16,194**	**13,495**
	118,780	**121,479**
Long leasehold land & buildings		
Cost	**24,637**	**24,637**
Depreciation	**9,709**	**9,452**
	14,928	**15,185**
Total historical net book value of revalued assets, at 31 December 2000	**133,708**	**136,664**

The freehold land and buildings and long leasehold property were revalued on 31 December 1998, by Goudes, Chartered Surveyors, at open market value, at values of £200,000 and £100,000 respectively and have not since been updated.

Included in the net book value of motor vehicles is the amount of £42,006 (1999 - £66,064) relating to assets which are the subject of hire purchase contracts. Depreciation of £8,364 (1999 - £22,022) was charged on these assets in the year.

3. CREDITORS: amounts falling due within one year

The bank loans of £107,469 (1999 - £119,350) and overdraft £105,131 (1999 - £110,210) are secured by way of an unlimited debenture over the company's property, undertakings and assets incorporating a fixed charge on the long leasehold property of the company and a legal mortgage over the company's freehold property. £40,055 of the bank loan is due greater than 5 years.

4. SHARE CAPITAL

	2000 £	1999 £
Authorised:		
Equity interests:		
2,000 Ordinary shares of £1 each	**2,000**	2,000
Allotted, called up and fully paid:		
Equity interests:		
2,000 Ordinary shares of £1 each	**2,000**	2,000