

COMPANY NUMBER 01536708

LANGLEY MECHANICAL SERVICES LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 1994



**REPORT OF THE AUDITORS TO THE DIRECTORS OF LANGLEY MECHANICAL SERVICES
LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 8 together with the full financial statements of Langley Mechanical Services Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1994.

Respective responsibilities of directors and auditors

The directors are 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 directors' statement on page 5 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 the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 to 249 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 December 1994, and the abbreviated accounts on pages 3 to 8 have been properly prepared in accordance with that Schedule.

On 12 June 1995 we reported, as auditors of Langley Mechanical Services Limited, to the members on the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1994, and our audit opinion was as follows:

"We have audited the financial statements on pages 4 to 16 which have been prepared under the accounting policies set out on pages 4 and 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of 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.

REPORT OF THE AUDITORS TO THE DIRECTORS OF LANGLEY MECHANICAL SERVICES
LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985
(CONTINUED)

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 directors 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 at 31 December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985."



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

Nottingham

12 June 1995

LANGLEY MECHANICAL SERVICES LIMITED

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 1994

The financial statements have been prepared under the historical cost convention except that certain items of plant and equipment are shown at their revalued amount.

The principal accounting policies of the company are set out below. The policies have remained unchanged from the previous year.

a) **Turnover**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

b) **Leasehold valuation**

A valuation of the company's interest in the remaining life of its existing lease of premises was undertaken at 31 December 1992 and incorporated into the financial statements. The valuation will be amortised on a straight line basis over the remaining life of the lease.

c) **Depreciation**

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives.

The periods generally applicable are:

Plant & equipment	3-7 years
Office fixtures & fittings	5 years
Motor vehicles	4 years

d) **Investments**

Investments are included at cost.

e) **Stock**

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

f) **Deferred taxation**

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

LANGLEY MECHANICAL SERVICES LIMITED

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 1994

g) Contributions to pension funds

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

h) Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

LANGLEY MECHANICAL SERVICES LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1994

	Note	1994	1993
		£	£
Fixed assets			
Intangible assets	1	9,814	11,208
Tangible assets	2	525,888	557,688
Investments	3	500	500
		536,202	569,396
Current assets			
Stocks		74,448	127,237
Debtors		223,011	193,022
Cash at bank and in hand		19,918	61
		317,377	320,320
Creditors due within one year	4	442,291	377,581
Net current liabilities		(124,914)	(57,261)
Total assets less current liabilities			
		411,288	512,135
Creditors due after more than one year	5	170,576	234,817
Provisions for liabilities and charges		33,000	46,000
		(203,576)	(280,817)
		207,712	231,318
Capital and reserves			
Called up share capital	6	25,000	25,000
Profit and loss account		171,328	191,513
Revaluation reserve		11,384	14,805
		207,712	231,318

In preparing these abbreviated accounts, we have relied upon the exemptions for individual financial statements conferred by Section A of Part III of Schedule 8 to the Companies Act 1985, on the grounds that the company is entitled to the benefit of those exemptions as a small company.

The financial statements were approved by the Board of Directors on 12 June 1995.

S A QUIGLEY

A J WHYSALL

The accompanying accounting policies and notes form an integral part of these abbreviated accounts.

LANGLEY MECHANICAL SERVICES LIMITED
 NOTES TO THE ABBREVIATED ACCOUNTS
 FOR THE YEAR ENDED 31 DECEMBER 1994

1. Intangible fixed assets

1994

£

Valuation of leasehold interest at
31 December 1994 and 1993

14,000

Amortisation at 1 January 1994
Provided in the year

2,792

1,394

At 31 December 1994

4,186

Net book amount at 31 December 1994

9,814

Net book amount at 31 December 1993

11,208

The value of the company's leasehold interest in its trading premises with vacant possession was considered to be £14,000 in a professional valuation by Peter Rose FRICS, FSVA on 2 April 1992.

LANGLEY MECHANICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 1994

2. Tangible fixed assets

Total

£

Cost or valuation

at 1 January 1994

927,497

Additions

139,732

Disposals

(30,989)

At 31 December 1994

1,036,240

Depreciation

at 1 January 1994

369,809

Provided in the year

164,013

On disposals

(23,470)

At 31 December 1994

510,352

Net book amount

at 31 December 1994

525,888

Net book amount

at 31 December 1993

557,688

3. Fixed asset investments

Listed investments

1994

1993

£

£

Investments listed on a recognised
stock exchange

500

500

The aggregate market value of these investments at 31 December 1994 was £742 (1993 £1,301).

LANGLEY MECHANICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 1994

4. Creditors due within one year

Included in the above heading are bank borrowings amounting to fnil (1993 - £2,695) which are secured on a fixed and floating charge over all the assets of the company and by guarantees given by the directors.

5. Creditors due after more than one year

	1994	1993
	£	£
Amount due under hire purchase agreements (net of finance charges allocated to future periods)	170,576	234,817
	<u>170,576</u>	<u>234,817</u>

Certain hire purchase agreements are secured by a fixed charge over related customer leasing agreements and hire income in the event of a default on repayments.

6. Share capital

	1994	1993
	£	£
Authorised: 25,000 ordinary shares of fl each	<u>25,000</u>	<u>25,000</u>
Allotted, called up and fully paid: 25,000 ordinary shares of fl each	<u>25,000</u>	<u>25,000</u>