

Langley Mechanical Services Limited

Abbreviated accounts

For the year ended 31 December 2005

Grant Thornton 



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COMPANIES HOUSE 28/07/2006

Company No. 1536708

Company information

Registered office

Langley Bridge Trading Estate
Derby Road
Eastwood
NOTTINGHAM
NG16 3RZ

Directors

Mr A Whysall
Mrs S Whysall
Mr W Sweet

Secretary

Mr A Whysall

Bankers

Barclays Bank Plc

Solicitors

Robinsons
83 Friar Gate
DERBY
DE1 1FL

Auditor

Grant Thornton UK LLP
Chartered Accountants
Registered Auditors
30 Hounds Gate
NOTTINGHAM
NG1 7DH

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Independent auditor's report to the company pursuant to Section 247B of the Companies Act 1985

We have examined the abbreviated accounts which comprise the principal accounting policies, balance sheet and the related notes, together with the financial statements of the company for the year ended 31 December 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to them in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and 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 accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts which comprise the principal accounting policies, balance sheet and the related notes are properly prepared in accordance with those provisions.



GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
NOTTINGHAM
24 July 2006

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, 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); and

-FRS 21 'Events after the Balance Sheet date (IAS 10)'

-FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'.

Financial Reporting Standard for Smaller Entities (effective January 2005)

No prior year adjustments have been required following the adoption of this accounting standard.

FRS 21 'Events after the Balance Sheet date (IAS 10)'

The adoption of FRS 21 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

No prior year adjustments have been required following the adoption of this accounting standard.

FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'

The adoption of FRS 25 has resulted in a change in accounting policy in respect of equity dividends. Dividends paid or proposed in the year (in line with FRS 21 above) will be charged directly to equity and not to the profit and loss account for the year as in prior periods.

This change in accounting policy has resulted in a prior year adjustment for the company. For year ended 31 December 2004, the change in accounting policy has resulted in a net increase in retained profit for the year of £27,000. For year ended 31 December 2005, the change in accounting policy has resulted in a net increase in retained profit for the year of £67,500.

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Plant & Equipment	-	4 - 10 years
Fixtures & Fittings	-	5 years
Motor Vehicles	-	4 years

Stocks

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

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

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.

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:

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 liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Income from investments

Investment income comprises of dividends declared during the accounting period and interest receivable on listed and unlisted investments.

Investments

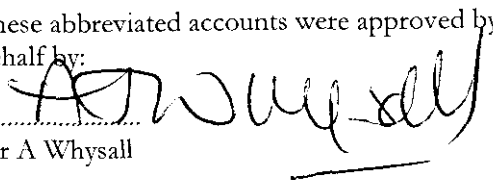
Investments are included at cost.

Abbreviated balance sheet

	Note	2005 £	2004 £
Fixed assets	1		
Tangible assets		753,057	862,275
Investments		248	632
		<u>753,305</u>	<u>862,907</u>
Current assets			
Stocks		232,744	150,465
Debtors	2	1,652,616	1,526,978
Cash at bank and in hand		159,970	228,539
		<u>2,045,330</u>	<u>1,905,982</u>
Creditors: amounts falling due within one year	3	<u>804,213</u>	<u>832,712</u>
Net current assets		<u>1,241,117</u>	<u>1,073,270</u>
Total assets less current liabilities		<u>1,994,422</u>	<u>1,936,177</u>
Creditors: amounts falling due after more than one year	4	623,316	682,912
Provisions for liabilities and charges		<u>53,980</u>	<u>60,763</u>
		<u>1,317,126</u>	<u>1,192,502</u>
Capital and reserves			
Called-up equity share capital	5	25,000	25,000
Profit and loss account		<u>1,292,126</u>	<u>1,167,502</u>
Shareholders' funds		<u>1,317,126</u>	<u>1,192,502</u>

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 24.12.06 and are signed on their behalf by:


 Mr A Whysall

Notes to the abbreviated accounts

1 Fixed assets

	Intangible Assets £	Tangible Assets £	Investments £	Total £
Cost				
At 1 January 2005	14,000	2,176,045	632	2,190,677
Additions	—	241,956	—	241,956
Disposals	—	(365,797)	(384)	(366,181)
At 31 December 2005	<u>14,000</u>	<u>2,052,204</u>	<u>248</u>	<u>2,066,452</u>
Depreciation				
At 1 January 2005	14,000	1,313,770	—	1,327,770
Charge for year	—	230,580	—	230,580
On disposals	—	(245,203)	—	(245,203)
At 31 December 2005	<u>14,000</u>	<u>1,299,147</u>	<u>—</u>	<u>1,313,147</u>
Net book value				
At 31 December 2005	<u>—</u>	<u>753,057</u>	<u>248</u>	<u>753,305</u>
At 31 December 2004	<u>—</u>	<u>862,275</u>	<u>632</u>	<u>862,907</u>

The aggregate market value of these investments at 31 December 2005 was £1,396 (2004: £1,671).

2 Debtors

Debtors include amounts of £1,201,500 (2004 - £1,201,500) falling due after more than one year.

3 Creditors: amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2005 £	2004 £
Bank loans and overdrafts	<u>120,000</u>	<u>142,227</u>

4 Creditors: amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2005	2004
	£	£
Bank loans and overdrafts	<u>300,598</u>	<u>411,645</u>

5 Share capital

Authorised share capital:

	2005	2004
	£	£
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

6 Ultimate parent company

The ultimate parent undertaking of Langley Mechanical Services Limited is Langley Mechanical Limited by virtue of its majority shareholding.

7 Capital commitments

The directors have confirmed that there were no capital commitments at 31 December 2005 (2004: £nil)