

Langley Mechanical Services Limited
Abbreviated accounts
For the year ended 31 December 2006

Grant Thornton 



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
P O Box 18
Old Market Square
NOTTINGHAM
NG1 6FU

Solicitors

Robinsons
83 Friar Gate
DERBY
DE1 1FL

Auditor

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

Index to the abbreviated accounts

Report of the auditor to the company	4
Principal accounting policies	5 - 6
Abbreviated balance sheet	7
Notes to the abbreviated accounts	8 - 9

Independent auditor's report to Langley Mechanical Services Limited under 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 Langley Mechanical Services Limited for the year ended 31 December 2006 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.



GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

NOTTINGHAM
24 October 2007

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)

Turnover

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

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	2006 £	2005 £
Fixed assets	1		
Tangible assets		558,378	753,057
Investments		-	248
		<u>558,378</u>	<u>753,305</u>
Current assets			
Stocks		287,756	232,744
Debtors	2	1,730,958	1,652,616
Cash at bank and in hand		427,253	159,970
		<u>2,445,967</u>	<u>2,045,330</u>
Creditors' amounts falling due within one year	3	<u>1,089,020</u>	<u>804,213</u>
Net current assets		<u>1,356,947</u>	<u>1,241,117</u>
Total assets less current liabilities		<u>1,915,325</u>	<u>1,994,422</u>
Creditors: amounts falling due after more than one year	4	425,068	623,316
Provisions for liabilities and charges		<u>39,673</u>	<u>53,980</u>
		<u>1,450,584</u>	<u>1,317,126</u>
Capital and reserves			
Called-up equity share capital	5	25,000	25,000
Profit and loss account		1,425,584	1,292,126
Shareholders' funds		<u>1,450,584</u>	<u>1,317,126</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 19 10 07 and are signed on their behalf by



Mr A Whysall

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

Notes to the abbreviated accounts

1 Fixed assets

	Tangible Assets £	Investments £	Total £
Cost			
At 1 January 2006	2,052,204	248	2,052,452
Additions	79,244	–	79,244
Disposals	(166,735)	(248)	(166,983)
At 31 December 2006	<u>1,964,713</u>	<u>–</u>	<u>1,964,713</u>
Depreciation			
At 1 January 2006	1,299,147	–	1,299,147
Charge for year	203,986	–	203,986
On disposals	(96,798)	–	(96,798)
At 31 December 2006	<u>1,406,335</u>	<u>–</u>	<u>1,406,335</u>
Net book value			
At 31 December 2006	<u>558,378</u>	<u>–</u>	<u>558,378</u>
At 31 December 2005	<u>753,057</u>	<u>248</u>	<u>753,305</u>

2 Debtors

Debtors include amounts of £1,201,500 (2005 - £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

	2006 £	2005 £
Bank loans and overdrafts	<u>120,000</u>	<u>120,000</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

	2006 £	2005 £
Bank loans and overdrafts	<u>180,994</u>	<u>300,598</u>

5 Share capital

Authorised share capital

	2006 £	2005 £
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

Allotted, called up and fully paid

	2006 No	£	2005 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