

**Armac D.E.L. Limited**

**Abbreviated Accounts**

**Year Ended**

**30 June 2000**

**Company Registration Number: 02790049**



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**Abbreviated Accounts**

**Year Ended 30 June 2000**

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**Auditors' Report To Armac D.E.L. Limited  
Under Section 247B of The Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 6 together with the financial statements of the company for the year ended 30 June 2000, prepared under Section 226 of the Companies Act 1985.

**Respective Responsibilities of Director and Auditors**

The director is 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 the 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 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 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 Companies Act 1985, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.

  
**Duffy Regan & Company**  
**Chartered Accountants**  
**Registered Auditors**  
**Worcester**

**Date:** 27/4/01

**Balance Sheet**  
**Year Ended 30 June 2000**

|                                                                 | Notes | £                     | £ | £                     | £ |
|-----------------------------------------------------------------|-------|-----------------------|---|-----------------------|---|
|                                                                 |       | <u>2000</u>           |   | <u>1999</u>           |   |
| <b>Fixed Assets</b>                                             |       |                       |   |                       |   |
| Tangible assets                                                 | 2     | 1,437,141             |   | 1,263,693             |   |
| Investments                                                     | 3     | 100                   |   | 100                   |   |
|                                                                 |       | <u>1,437,241</u>      |   | <u>1,263,793</u>      |   |
| <b>Current Assets</b>                                           |       |                       |   |                       |   |
| Stock and work in progress                                      |       | 48,000                |   | 2,500                 |   |
| Debtors                                                         |       | 223,722               |   | 182,158               |   |
| Cash at bank and in hand                                        |       | 106,665               |   | -                     |   |
|                                                                 |       | <u>378,387</u>        |   | <u>184,658</u>        |   |
| <b>Creditors - amounts falling due within one year</b>          | 4     | <u>586,681</u>        |   | <u>490,830</u>        |   |
| <b>Net Current Liabilities</b>                                  |       | (208,294)             |   | (306,172)             |   |
|                                                                 |       | <u>1,228,947</u>      |   | <u>957,621</u>        |   |
| <b>Creditors - amounts falling due after more than one year</b> | 4     | (403,434)             |   | (328,997)             |   |
| <b>Provision for liabilities and charges</b>                    |       | (107,500)             |   | (81,000)              |   |
| <b>Net Assets</b>                                               |       | <u><u>718,013</u></u> |   | <u><u>547,624</u></u> |   |
| <b>Represented by:</b>                                          |       |                       |   |                       |   |
| <b>Capital and Reserves</b>                                     |       |                       |   |                       |   |
| Called up share capital                                         | 5     | 200                   |   | 200                   |   |
| Revaluation Reserve                                             |       | 400,708               |   | 400,708               |   |
| Profit and Loss Account                                         |       | 317,105               |   | 146,716               |   |
|                                                                 |       | <u><u>718,013</u></u> |   | <u><u>547,624</u></u> |   |

These accounts are prepared in accordance with the provisions of part VII of the Companies Act 1985, relating to small companies.

The abbreviated accounts on pages 2 to 6 were approved by the Director on 27/4/01

  
Mr. A. J. McLean

The notes on pages 3 to 6 form part of these abbreviated accounts.

**Notes And Accounting Policies**  
**Year Ended 30 June 2000**

**1. Accounting Policies**

The principal accounting policies of the company are as follows:

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of tangible fixed assets.

As permitted by financial reporting standard number 1, the company has taken advantage of the provision available to a small company exempting it from preparing a cash flow statement.

b) Holding Company Financial Statements

The director has taken advantage of the exemption conferred by Section 248, Companies Act 1985 and consolidated financial statements have not been prepared.

c) Turnover

The turnover of the company for the year represents invoiced sales, less allowances, trade discounts and value added tax.

d) Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives at the following annual rates and using the following methods:

|                       |                      |
|-----------------------|----------------------|
| Plant and machinery   | 15% reducing balance |
| Fixtures and fittings | 15% reducing balance |

e) Investments

Fixed asset investments are included in the company's balance sheet at cost less any amounts written off for impairment in value.

f) Deferred Taxation

Provision is made for deferred taxation using the liability method, at the rate of corporation tax ruling at the end of the year, except where there is reasonable probability that such taxation will not become payable as far as can reasonably be foreseen.

**Notes To The Financial Statements**  
**Year Ended 30 June 2000**

**1. Accounting Policies (continued)**

g) Stock and Work in Progress

Stock and work in progress is stated at the lower of cost and net realisable value. Cost is defined as purchase price plus attributable overheads in bringing stock and work in progress to its present condition and location. Net realisable value is defined as estimated selling price less all further costs to completion.

h) Leases and Hire Purchase

Assets held under finance leases and hire purchase contracts are capitalised at cost. A finance lease is defined as a lease that transfers substantially all the risks and rewards of ownership to the lessee. Such assets are depreciated over the shorter of the lease or their useful life. Finance charges are allocated to accounting periods over the period of the lease to produce a constant rate of return on the outstanding balance. Charges under operating leases are written off to profit and loss account as incurred.

**Notes to the Financial Statements  
Year Ended 30 June 2000**

| 2. Fixed Assets                 | <u>Freehold Land</u>   | <u>Tangible</u>  | <u>Total</u>     |
|---------------------------------|------------------------|------------------|------------------|
|                                 | <u>&amp; Buildings</u> |                  |                  |
|                                 | £                      | £                | £                |
| <b>Cost and Valuation</b>       |                        |                  |                  |
| As at 1 July 1999               | 325,000                | 1,412,122        | 1,737,122        |
| Additions                       | 150,455                | 325,891          | 476,346          |
| Disposals                       | -                      | (140,529)        | (140,529)        |
| As at 30 June 2000              | <u>475,455</u>         | <u>1,597,484</u> | <u>2,072,939</u> |
| <b>Accumulated Depreciation</b> |                        |                  |                  |
| As at 1 July 1999               | -                      | 473,429          | 473,329          |
| Charge for the year             | -                      | 169,701          | 169,701          |
| Released on disposals           | -                      | (7,332)          | (7,332)          |
| As at 30 June 2000              | <u>-</u>               | <u>635,798</u>   | <u>635,798</u>   |
| <b>Net Book Value</b>           |                        |                  |                  |
| As at 30 June 2000              | <u>475,455</u>         | <u>961,686</u>   | <u>1,437,141</u> |
| As at 30 June 1999              | <u>325,000</u>         | <u>938,693</u>   | <u>1,263,693</u> |

The cost and accumulated depreciation of assets held under finance leases and hire purchase contracts together with the depreciation charge for the year are as follows:

|                          | £             |
|--------------------------|---------------|
| Cost                     | 649,600       |
| Accumulated depreciation | 166,934       |
| Charge for the year      | <u>85,176</u> |

**3. Investments**

|      | <u>2000</u> | <u>1999</u> |
|------|-------------|-------------|
|      | £           | £           |
| Cost | <u>100</u>  | <u>100</u>  |

The company holds 100% of the shares of Alliedbay Limited, which trades in property and land management. The company is incorporated in the United Kingdom.

**Notes to The Financial Statements  
Year Ended 30 June 2000**

**4. Creditors**

Included in creditors amounts falling due within and over one year are bank overdraft and loan amounting to £327,458. (1999: £344,072).

The bank overdraft and loan are secured by a legal charge over the freehold property and a mortgage debenture over the assets of the company.

The bank loan is repayable over nine years and interest is charged monthly.

**5. Called up Share Capital**

Called up share capital comprised:

|                                   | <u>Ordinary Shares of £1 Each</u> |             |
|-----------------------------------|-----------------------------------|-------------|
|                                   | <u>2000</u>                       | <u>1999</u> |
|                                   | £                                 | £           |
| Authorised                        | 200                               | 200         |
|                                   | =====                             | =====       |
| Allotted called up and fully paid | 200                               | 200         |
|                                   | =====                             | =====       |

**6. Ultimate Holding Company**

The ultimate holding company is Armgroup Holdings Limited, a company incorporated in the United Kingdom.