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Abbreviated accounts for
the year ended 31 March 2002

**LMK Engineering
Limited**

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LMK Engineering Limited

Abbreviated balance sheet As at 31 March 2002

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Intangible assets	2		343,750		365,221
Tangible assets	2		2,286		3,627
			<u>346,036</u>		<u>368,848</u>
Current assets					
Stocks		29,199		25,772	
Debtors		48,106		16,546	
Cash at bank and in hand		13,491		6,420	
		<u>90,796</u>		<u>48,738</u>	
Creditors: amounts falling due within one year		<u>(72,548)</u>		<u>(70,164)</u>	
Net current assets/(liabilities)			<u>18,248</u>		<u>(21,426)</u>
Total assets less current liabilities			364,284		347,422
Creditors: amounts falling due after more than one year	3		<u>(360,000)</u>		<u>(360,000)</u>
			<u>4,284</u>		<u>(12,578)</u>
Capital and reserves					
Called up share capital	4		100		100
Profit and loss account			4,184		(12,678)
Shareholders' funds			<u>4,284</u>		<u>(12,578)</u>

LMK Engineering Limited

Abbreviated balance sheet (continued) As at 31 March 2002

In preparing these abbreviated accounts:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

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

The financial statements were approved by the board on 20th Nov 2002



M W Newton
Director

LMK Engineering Limited

Notes to the abbreviated accounts For the year ended 31 March 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% straight line
Computer equipment	33% Straight line

1.6 Stock

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

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

LMK Engineering Limited

Notes to the abbreviated accounts (continued) For the year ended 31 March 2002

2 Fixed assets

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
At 1 April 2001	377,721	4,379	19,264	401,364
Disposals	(2,721)	-	-	(2,721)
At 31 March 2002	375,000	4,379	19,264	398,643
Depreciation				
At 1 April 2001	12,500	752	19,264	32,516
Charge for the year	18,750	1,341	-	20,091
At 31 March 2002	31,250	2,093	19,264	52,607
Net book value				
At 31 March 2002	343,750	2,286	-	346,036
At 31 March 2001	365,221	3,627	-	368,848

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Danac Limited	England & Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and Profit for the reserves	year
Danac Limited	-	-

Danac Limited is a wholly owned subsidiary, the company has ceased trading and has no assets or liabilities. The investment is therefore carried at nil value within the accounts of LMK Engineering Limited.

LMK Engineering Limited

Notes to the abbreviated accounts (continued) For the year ended 31 March 2002

3	Creditors: amounts falling due after more than one year	2002	2001
		£	£
	Analysis of loans repayable in more than five years		
	Not wholly repayable within five years by instalments	250,000	250,000
		<u> </u>	<u> </u>
	Not wholly repayable within five years other than by instalments	110,000	110,000
		<u> </u>	<u> </u>
4	Share capital	2002	2001
		£	£
	Authorised		
	750 Ordinary 'A' class shares of £ 1 each	750	750
	250 Ordinary 'B' class shares of £ 1 each	250	250
		<u> </u>	<u> </u>
		1,000	1,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	75 Ordinary 'A' class shares of £ 1 each	75	75
	25 Ordinary 'B' class shares of £ 1 each	25	25
		<u> </u>	<u> </u>
		100	100
		<u> </u>	<u> </u>