

COMPANY REGISTRATION NUMBER: 01278183

**Larasian Limited**  
**Directors' Report and Financial Statements**  
**31 December 2019**



**NEXIA SMITH & WILLIAMSON**  
Chartered accountants & statutory auditor  
4th Floor Cumberland House  
15-17 Cumberland Place  
Southampton  
Hampshire  
SO15 2BG

**Larasian Limited**  
**Financial Statements**  
**Year ended 31 December 2019**

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# **Larasian Limited**

## **Officers and Professional Advisers**

**The board of directors**

Mr B G Currie  
Mrs G Currie  
Mr G C A Allen  
Mr R S Piwowarski  
Mr J Navey

**Company secretary**

Julian Navey

**Registered office**

Module House  
Whiteparish  
Salisbury  
Wiltshire  
SP5 2SJ

**Auditor**

Nexia Smith & Williamson  
Chartered accountants & statutory auditor  
4th Floor Cumberland House  
15-17 Cumberland Place  
Southampton  
Hampshire  
SO15 2BG

**Bankers**

National Westminster  
48 Blue Boar Row  
Salisbury  
Wiltshire  
SP1 1DF

**Larasian Limited**  
**Strategic Report**  
**Year ended 31 December 2019**

The directors present their strategic report for the year ended 31 December 2019.

**Principal Activity**

The principal activity of the group in the year under review was that of design, manufacture and sale of electronic modules and electronic measuring instruments.

**Review of Business**

The results for the year and the financial position of the group and parent company are as shown in the annexed financial statements.

The directors consider the profit for the year to be satisfactory. Turnover increased by 17.9% compared to 2018. Gross profit margin decreased from 36.9% in 2018 to 36.0% in 2019. Operating profit margin increased from 7.3% in 2018 to 7.9% in 2019. Turnover per employee rose from £97,985 in 2018 to £105,803 in 2019. Return on capital employed increased from 6.5% in 2018 to 7.8% in 2019.

The directors expect the profit for the group to continue to grow in 2020. The company and the group have adequate financial resources to support the business for the foreseeable future and the directors consider the state of affairs of both the group and the parent company to be satisfactory.

**Principal Risks and Uncertainties**

The group gives appropriate consideration to risk management objectives and policies.

Control of the group cash flow is maintained by weekly reporting of balances and adherence to expenditure authorisation limits.

The risk of significant loss through major customers of the group becoming insolvent is reduced by regular credit control and ongoing communication with those customers.

The group protects its business from the effects of economic recession by a strategy of launching new innovative products on a regular basis.

By ensuring alternative sources of supply and manufacture, the risk of a single company disrupting the supply chain to subsidiary companies is reduced.

The group has limited net exposure to foreign exchange risk. Within the group there is a natural hedge between dollar income and expenditure. Contracts with major customers have clauses that vary prices according to material dollar movements. Non-dollar currencies are traded only in a minor way.

Since the first quarter of 2020 the UK and the rest of the world have been dealing with the health and economic risks associated with the Coronavirus known as Covid-19. At an early stage the group took significant actions to mitigate health risks in the workplace which included a number of staff working from home for an extended period of time. The group supplies essential products to a number of customers and therefore continued production in difficult circumstances. At the same time actions were taken to protect future cash requirements with careful monitoring of working capital in order to maximise cash reserves. The ongoing effects of the pandemic are being monitored carefully and it is clear that revenue and profits should be higher in 2020 when compared to 2019.

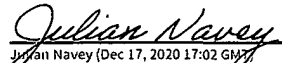
# **Larasian Limited**

## **Strategic Report** *(continued)*

### **Year ended 31 December 2019**

The United Kingdom left the European Union at the beginning of 2020. The transition period ends on 31 December 2020 and it remains to be seen whether a suitable trade agreement will be concluded by then. A number of business risks are associated with that process. Sterling has weakened against other major currencies, but the risk of this to the business is mitigated as far as possible by balancing purchase costs and sales revenue in those major currencies. There is some evidence that the continued uncertainty surrounding the exit process will result in a slowdown in the UK economy. The company will be able to mitigate part of this risk by improved export opportunities encouraged by the lower value of Sterling.

This report was approved by the board of directors on 17/12/2020 and signed on behalf of the board by:

  
Julian Navey (Dec 17, 2020 17:02 GMT)

Julian Navey  
Company Secretary

# Larasian Limited

## Directors' Report

Year ended 31 December 2019

The directors present their report and the financial statements of the group for the year ended 31 December 2019.

### Directors

The directors who served the company during the year were as follows:

Mr B G Currie  
Mrs G Currie  
Mr G C A Allen  
Mr R S Piwowarski  
Mr J Navey

### Dividends

The profit for the year, after taxation, amounted to £1,608,595. Particulars of dividends paid are detailed in note 13 to the consolidated financial statements.

### Future developments

The group continues to invest considerable resources in the development of new products since it believes that its future success will be based upon a regular supply of innovative new products.

### Events after the end of the reporting period

As explained in note 31 to the financial statements, since the balance sheet date the Covid-19 virus has significantly affected many marketplaces including the one that the company operates in. Accordingly, the company has revised its expectations for the coming years and considered alternative scenarios based upon different timescales of market recovery and likely future sales volumes. The likely funding requirements resulting from these scenarios have also been reviewed. The directors believe that the group has adequate resources to continue in operational existence for the foreseeable future and accordingly consider the going concern basis to continue to be appropriate. We are unable to give an estimate of the financial impact of Covid-19 on the business.

### Research and development

The group has a research and development programme for both new products and the improvement of existing products. Expenditure on research and development is written off in the year in which it is incurred.

### Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# Larasian Limited

## Directors' Report *(continued)*

### Year ended 31 December 2019

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

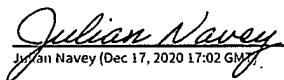
#### Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

A resolution to reappoint Nexia Smith & Williamson as auditors will be proposed at the forthcoming Annual General Meeting.

This report was approved by the board of directors on 17/12/2020 and signed on behalf of the board by: \_\_\_\_\_

  
Julian Navey (Dec 17, 2020 17:02 GMT)

Julian Navey  
Company Secretary

# Larasian Limited

## Independent Auditor's Report to the Members of Larasian Limited

Year ended 31 December 2019

### Opinion

We have audited the financial statements of Larasian Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **Larasian Limited**

## **Independent Auditor's Report to the Members of Larasian Limited *(continued)***

**Year ended 31 December 2019**

### **Other information**

The other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# Larasian Limited

## Independent Auditor's Report to the Members of Larasian Limited *(continued)*

Year ended 31 December 2019

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the parent company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Nexia Smith & Williamson*

Nexia Smith & Williamson (Dec 18, 2020 12:06 GMT)

Julie Mutton (Senior Statutory Auditor)

For and on behalf of  
Nexia Smith & Williamson  
Chartered accountants & statutory auditor  
4th Floor Cumberland House  
15-17 Cumberland Place  
Southampton  
Hampshire  
SO15 2BG  
18/12/2020

**Larasian Limited**  
**Consolidated Statement of Comprehensive Income**  
**Year ended 31 December 2019**

	Note	2019 £	2018 £
<b>Turnover</b>	<b>4</b>	<b>22,536,054</b>	19,107,360
Cost of sales		<u>(14,432,341)</u>	<u>(12,061,763)</u>
<b>Gross profit</b>		<b>8,103,713</b>	7,045,597
Distribution costs		(1,699,340)	(1,721,666)
Administrative expenses		(4,630,797)	(3,967,561)
Other operating income	5	8,702	33,284
<b>Operating profit</b>	<b>6</b>	<b>1,782,278</b>	1,389,654
Other interest receivable and similar income	10	1,872	797
Interest payable and similar expenses	11	(59,986)	(39,254)
<b>Profit before taxation</b>		<b>1,724,164</b>	1,351,197
Tax on profit	12	(115,569)	(61,422)
<b>Profit for the financial year</b>		<b><u>1,608,595</u></b>	<b><u>1,289,775</u></b>
Foreign currency retranslation		(91,517)	117,633
<b>Total comprehensive income for the year</b>		<b><u>1,517,078</u></b>	<b><u>1,407,408</u></b>
Profit for the financial year attributable to:			
The owners of the parent company		1,482,238	1,243,315
Non-controlling interest		126,357	46,460
		<u>1,608,595</u>	<u>1,289,775</u>
Total comprehensive income for the year attributable to:			
The owners of the parent company		1,390,983	1,359,305
Non-controlling interest		126,095	48,103
		<u>1,517,078</u>	<u>1,407,408</u>

All the activities of the group are from continuing operations.

The notes on pages 16 to 36 form part of these financial statements.

**Larasian Limited**  
**Consolidated Statement of Financial Position**  
**31 December 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	14	2	2
Tangible assets	15	10,333,552	9,638,146
Investments	16	10	10
		<u>10,333,564</u>	<u>9,638,158</u>
<b>Current assets</b>			
Stocks	17	9,667,937	8,719,985
Debtors	18	4,382,493	4,416,389
Cash at bank and in hand		2,728,159	2,366,042
		<u>16,778,589</u>	<u>15,502,416</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>(4,312,780)</u>	<u>(3,660,114)</u>
<b>Net current assets</b>		<u>12,465,809</u>	<u>11,842,302</u>
<b>Total assets less current liabilities</b>		<u>22,799,373</u>	<u>21,480,460</u>
<b>Creditors: amounts falling due after more than one year</b>	20	(1,713,081)	(1,956,970)
<b>Provisions</b>			
Deferred Tax	21	(60,200)	(18,047)
Other provisions	21	(6,151)	(2,581)
		<u>(66,351)</u>	<u>(20,628)</u>
<b>Net assets</b>		<u>21,019,941</u>	<u>19,502,862</u>
<b>Capital and reserves</b>			
Called up share capital	26	100	100
Share premium account	27	259,619	259,619
Capital redemption reserve	27	15,000	15,000
Other reserves	27	247,810	339,064
Profit and loss account	27	19,260,724	17,778,486
<b>Equity attributable to the owners of the parent company</b>		<u>19,783,253</u>	<u>18,392,269</u>
<b>Non-controlling interest</b>		<u>1,236,688</u>	<u>1,110,593</u>
		<u>21,019,941</u>	<u>19,502,862</u>

The consolidated statement of financial position  
continues on the following page.  
The notes on pages 16 to 36 form part of these financial statements.

# Larasian Limited

## Consolidated Statement of Financial Position *(continued)*

31 December 2019

These financial statements were approved by the board of directors and authorised for issue on 18/12/2020 and are signed on behalf of the board by:

*bgcurrie*  
bgcurrie (Dec 18, 2020 11:30 GMT)

Mr B G Currie  
Director

Company registration number: 01278183

The notes on pages 16 to 36 form part of these financial statements.

**Larasian Limited**  
**Company Statement of Financial Position**  
**31 December 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	15	1,621,371	1,656,860
Investments	16	<u>1,207,891</u>	<u>1,207,891</u>
		<b>2,829,262</b>	<b>2,864,751</b>
 <b>Current assets</b>			
Stocks	17	1,221,966	1,221,966
Debtors	18	2,963,486	2,146,079
Cash at bank and in hand		36,323	680,199
		<u>4,221,775</u>	<u>4,048,244</u>
 <b>Creditors: amounts falling due within one year</b>	19	<u>(2,636,598)</u>	<u>(2,582,938)</u>
<b>Net current assets</b>		<u>1,585,177</u>	<u>1,465,306</u>
<b>Total assets less current liabilities</b>		<u>4,414,439</u>	<u>4,330,057</u>
 <b>Creditors: amounts falling due after more than one year</b>	20	<u>(1,713,081)</u>	<u>(1,956,970)</u>
<b>Net assets</b>		<u><u>2,701,358</u></u>	<u><u>2,373,087</u></u>
 <b>Capital and reserves</b>			
Called up share capital	26	100	100
Profit and loss account	27	<u>2,701,258</u>	<u>2,372,987</u>
<b>Shareholders funds</b>		<u><u>2,701,358</u></u>	<u><u>2,373,087</u></u>

The profit for the financial year of the parent company was £328,271 (2018: £107,521 loss).

These financial statements were approved by the board of directors and authorised for issue on 18/12/2020 and are signed on behalf of the board by:

  
bgcurrie (Dec 18, 2020 11:30 GMT)

Mr B G Currie  
Director

Company registration number: 01278183

The notes on pages 16 to 36 form part of these financial statements.

**Larasian Limited**  
**Consolidated Statement of Changes in Equity**  
**Year ended 31 December 2019**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Equity attributable to the owners of the parent company £	Non-controll ing interest £	Total £
<b>At 1 January 2018</b>	100	259,619	15,000	223,074	16,591,171	17,088,964	1,062,490	18,151,454
Profit for the year					1,243,315	1,243,315	46,460	1,289,775
Other comprehensive income for the year:								
Foreign currency retranslation	—	—	—	115,990	—	115,990	1,643	117,633
<b>Total comprehensive income for the year</b>	—	—	—	115,990	1,243,315	1,359,305	48,103	1,407,408
Dividends paid and payable	13	—	—	—	(56,000)	(56,000)	—	(56,000)
<b>Total investments by and distributions to owners</b>	—	—	—	—	(56,000)	(56,000)	—	(56,000)
<b>At 31 December 2018</b>	100	259,619	15,000	339,064	17,778,486	18,392,269	1,110,593	19,502,862
Profit for the year					1,482,238	1,482,238	126,357	1,608,595
Other comprehensive income for the year:								
Foreign currency retranslation	—	—	—	(91,254)	—	(91,254)	(263)	(91,517)
<b>Total comprehensive income for the year</b>	—	—	—	(91,254)	1,482,238	1,390,984	126,094	1,517,078
<b>At 31 December 2019</b>	100	259,619	15,000	247,810	19,260,724	19,783,253	1,236,687	21,019,940

The notes on pages 16 to 36 form part of these financial statements.

**Larasian Limited**  
**Company Statement of Changes in Equity**  
**Year ended 31 December 2019**

	Called up share capital £	Profit and loss account £	Total £
<b>At 1 January 2018</b>	100	2,536,508	2,536,608
Loss for the year	—	(107,521)	(107,521)
<b>Total comprehensive income for the year</b>	—	(107,521)	(107,521)
Dividends paid and payable	13	—	(56,000)
<b>Total investments by and distributions to owners</b>	—	(56,000)	(56,000)
<b>At 31 December 2018</b>	100	2,372,987	2,373,087
Profit for the year	—	328,271	328,271
<b>Total comprehensive income for the year</b>	—	328,271	328,271
<b>At 31 December 2019</b>	<u>100</u>	<u>2,701,258</u>	<u>2,701,358</u>

The notes on pages 16 to 36 form part of these financial statements.

**Larasian Limited**  
**Consolidated Statement of Cash Flows**  
**Year ended 31 December 2019**

	2019	2018
	£	£
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,608,595	1,289,775
<i>Adjustments for:</i>		
Depreciation of tangible assets	502,322	473,323
Fair value adjustment of investment property	–	300,000
Other interest receivable and similar income	(1,872)	(797)
Interest payable and similar expenses	59,986	39,254
Gains on disposal of tangible assets	(481)	(2,027)
Tax on profit/(loss)	115,569	61,422
Foreign currency exchange differences	5,862	(58,854)
<i>Changes in:</i>		
Stocks	(947,952)	(1,440,238)
Trade and other debtors	(53,183)	(1,146,446)
Trade and other creditors	593,971	981,199
Provisions and employee benefits	3,570	2,581
Changes in status of subsidiaries	–	400
Cash generated from operations	<u>1,886,387</u>	<u>499,592</u>
Interest paid	(59,986)	(39,254)
Interest received	1,872	797
Tax received/(paid)	65,518	(42,869)
Net cash from operating activities	<u>1,893,791</u>	<u>418,266</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(1,295,106)	(2,460,680)
Proceeds from sale of tangible assets	481	874,123
Net cash used in investing activities	<u>(1,294,625)</u>	<u>(1,586,557)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	–	900,000
Repayments of borrowings	(237,049)	(162,035)
Dividends paid	–	(56,000)
Net cash (used in)/from financing activities	<u>(237,049)</u>	<u>681,965</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>362,117</b>	<b>(486,326)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>2,366,042</b>	<b>2,852,368</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>2,728,159</u></b>	<b><u>2,366,042</u></b>

The notes on pages 16 to 36 form part of these financial statements.

# Larasian Limited

## Notes to the Financial Statements

Year ended 31 December 2019

### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Module House, Whiteparish, Salisbury, Wiltshire, SP5 2SJ.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, except for investment properties which are held at market value, and in accordance with the group's accounting policies.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

#### Going concern

The directors have considered forecasts and future cash flows for the Group, including an assessment of the potential impact of the Covid-19 pandemic on the Group. The directors have a reasonable expectation that the Group has adequate resources to meet their obligations as they fall due for a period of at least 12 months after the date on which the financial statements are signed and accordingly continue to adopt the going concern basis in preparing the financial statements.

#### Research and development

Research and development expenditure is written off in the year in which it is incurred.

#### Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Larasian Limited which can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- No disclosures in respect of each class of share capital have been presented.
- No cash flow statement has been presented for the company.
- No disclosures in respect of share options and financial instruments have been presented, as the information is provided within the consolidated financial statements of the Group in which the entity is consolidated and the relevant disclosures are included.

#### Consolidation

The group financial statements include the financial statements of the parent company and all of its subsidiary undertakings made up to 31st December 2019. Subsidiaries are entities over which the group has the power to control the financial and operating policies of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 3. Accounting policies *(continued)*

##### Non-controlling interest

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Non-controlling interests consist of the amount of those interests at the date of the original business combination and their share of changes in equity since the date of the combination.

The proportions of profit or loss and changes in equity allocated to the owners of the parent and to the non-controlling interests are determined on the basis of existing ownership interests and do not reflect the possible exercise or conversion of options or convertible instruments.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with generally accepted accounting practice requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### Financial instruments classification:

The classification of financial instruments as "basic" or "other" requires judgements as to whether all the applicable conditions for classification as basic are met. This includes consideration of the form of the instrument and its return.

##### Classification of properties:

The classification of properties requires judgement as to whether the properties meet the definition of an investment property, held for rental or capital appreciation purposes, stock held for resale, or are tangible fixed assets used by the business. This includes consideration of the intention for holding the property.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 3. Accounting policies *(continued)*

##### Judgements and key sources of estimation uncertainty *(continued)*

##### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

##### Bad debt provision:

A full line-by-line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectable. At the year end date, group trade debtors totalled £4,002,842 (2018: £4,126,351).

##### Stock provisions:

Stocks are reviewed at the end of each month to identify items that are potentially slow-moving or obsolete and to ensure that provisions made are as accurate as possible. At the year end date, group stocks totalled £9,667,937 (2018: £8,719,985).

##### Warranty provision:

A full review of sales and warranty claims is carried out each month to ensure that provisions made are as accurate as possible. The carrying amount of warranty provisions as at 31 December 2019 was £6,151 (2018: £2,581), including provisions made during the year of £3,570 (2018: £2,581).

##### Tangible fixed assets:

Tangible fixed assets are reviewed annually to consider their useful life and residual life. At the year end date, the net book value of group tangible fixed assets was £10,333,552 (2018: £9,638,146).

##### Investment properties:

Investment properties are valued internally by directors each year. At the year end, investment property in the group was valued at £1,013,881 (2018: £1,013,881).

##### Revenue recognition

Turnover represents net invoiced sales and services, excluding value added tax. Revenue is recognised when goods ordered are ready for despatch to customers.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 3. Accounting policies *(continued)*

##### **Income tax**

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, 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 taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result. The results and net assets of all group companies that have a non-sterling functional currency are included in the consolidated financial statements as follows:

- assets and liabilities are translated at the exchange rate at the balance sheet date;
- revenue and expenses are translated at the average exchange rates for the relevant year;
- all resulting exchange differences are recognised as part of other reserves.

##### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Income from operating leases is recognised on a straight-line basis over the lease term, net of lease incentives. Lease incentives are typically granted at the commencement of the lease term and are then accrued and recognised on a straight-line basis over the lease term.

##### **Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

##### **Tangible assets**

Tangible fixed assets, other than those classified as investment property, are stated at cost less depreciation.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	written off over 50 years
Long leasehold property	-	written off over 50 years
Improvements to property	-	written off over 3 to 10 years
Plant & machinery	-	written off over 5 to 8 years
Fixtures, fittings & equipment	-	written off over 3 to 10 years
Motor vehicles	-	written off over 4 to 6 years

#### Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. It is subsequently carried at fair value determined annually. Changes in fair value are recognised in profit or loss.

#### Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

#### Impairment of fixed assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss, as described below.

#### Non-financial assets:

The recoverable amount of a non-financial asset is the higher of its fair value less costs to sell and its value in use. An asset is impaired where the estimated recoverable value of the asset has been reduced.

#### Financial assets:

Financial assets that are measured at cost or amortised cost are assessed at the end of each reporting period for objective evidence of impairment. The impairment loss is measured as the difference between a financial asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the related contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the Board's best estimate of its value, with the latter being an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 3. Accounting policies *(continued)*

##### Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Development properties are stated at the lower of cost and net realisable value.

##### Provisions

Provisions are made when an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the year end date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

##### Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

##### Defined contribution plans

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

### 4. Turnover

Turnover arises from:

	2019	2018
	£	£
Sale of goods	21,975,163	18,691,524
Services & staff recharged	560,891	415,836
	<u>22,536,054</u>	<u>19,107,360</u>

The turnover is attributable to the one principal activity of the group. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2019	2018
	£	£
United Kingdom	15,733,533	12,986,085
Europe	1,340,133	1,575,117
USA	4,010,850	3,603,456
Asia/Far East	994,893	607,352
Africa	17,705	22,138
Australia	120,152	116,370
Rest of the World	234,314	120,693
Middle East	84,474	76,149
	<u>22,536,054</u>	<u>19,107,360</u>

### 5. Other operating income

	2019	2018
	£	£
Other operating income	<u>8,702</u>	<u>33,284</u>

### 6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2019	2018
	£	£
Depreciation of tangible assets	502,322	473,323
Gains on disposal of tangible assets	(481)	(2,027)
Fair value adjustments to investment property	–	300,000
Impairment of trade debtors	–	445
Foreign exchange differences	95,199	(152,041)
Impairment of inventory (included in cost of sales)	46,343	6,409
Research & development expenditure written off	<u>964,346</u>	<u>1,033,481</u>

### 7. Auditor's remuneration

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>18,746</u>	<u>18,171</u>

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 8. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2019	2018
	No.	No.
Production staff	132	119
Distribution staff	30	29
Administrative staff	38	34
Directors	13	13
	<u>213</u>	<u>195</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2019	2018
	£	£
Wages and salaries	5,751,573	5,054,674
Social security costs	440,697	419,221
Other pension costs	227,793	191,314
	<u>6,420,063</u>	<u>5,665,209</u>

The average number of persons employed by the company during the year, including the directors, amounted to:

	2019	2018
	No.	No.
Production staff	6	7
Distribution staff	0	1
Administrative staff	12	11
Number of directors	5	5
	<u>23</u>	<u>24</u>

The aggregate payroll costs incurred by the company during the year relating to the above were:

	2019	2018
	£	£
Wages and salaries	127,900	155,750
Social security costs	52,784	51,899
Other pension costs	21,989	20,146
	<u>202,673</u>	<u>227,795</u>

#### 9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2019	2018
	£	£
Remuneration	235,800	191,468
Company contributions to defined contribution pension plans	16,671	14,756
	<u>252,471</u>	<u>206,224</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2019	2018
	No.	No.
Defined contribution plans	<u>3</u>	<u>3</u>

# Larasian Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

### 9. Directors' remuneration *(continued)*

Remuneration of the highest paid director in respect of qualifying services:

	2019	2018
	£	£
Aggregate remuneration	113,080	95,423
Company contributions to defined contribution pension plans	8,953	8,588
	<u>122,033</u>	<u>104,011</u>

### 10. Other interest receivable and similar income

	2019	2018
	£	£
Interest on cash and cash equivalents	<u>1,872</u>	<u>797</u>

### 11. Interest payable and similar expenses

	2019	2018
	£	£
Interest on banks loans and overdrafts	<u>59,986</u>	<u>39,254</u>

### 12. Tax on profit/(loss)

Major components of tax expense

	2019	2018
	£	£
<b>Current tax:</b>		
UK current tax income	10,697	–
Adjustments in respect of prior periods	(14)	1,979
Total UK current tax	<u>10,683</u>	<u>1,979</u>
Foreign current tax income	66,492	60,959
Adjustments in respect of prior periods	(3,759)	(5,645)
Total foreign tax	<u>62,733</u>	<u>55,314</u>
Total current tax	<u>73,416</u>	<u>57,293</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<u>42,153</u>	<u>4,129</u>
<b>Tax on profit/(loss)</b>	<u>115,569</u>	<u>61,422</u>

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 12. Tax on profit/(loss) *(continued)*

##### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19.28% (2018: 19.37%).

	2019 £	2018 £
Profit on ordinary activities before taxation	<u>1,724,164</u>	<u>1,351,197</u>
Profit on ordinary activities by rate of tax	332,344	237,883
Adjustment to tax charge in respect of prior periods	3,773	3,666
Effect of expenses not deductible for tax purposes	6,002	61,530
Fixed asset differences	14,472	13,047
Research & development	(238,193)	(255,270)
Permanent and short term differences	(14,489)	10,724
Foreign tax charge & double taxation relief	16,998	14,631
Land remediation	-	(107)
Deferred taxation rate changes	<u>(5,338)</u>	<u>(24,682)</u>
Tax on profit/(loss)	<u>115,569</u>	<u>61,422</u>

##### Factors that may affect future tax expense

A reduction in the UK corporation tax rate to 17% from 1 April 2020 was substantively enacted on 6 September 2017.

In November 2019, the Prime Minister announced that he intended to cancel the future reduction in corporate tax rate from 19% to 17%. This announcement does not constitute substantive enactment and therefore deferred taxes at the balance sheet date continue to be measured at the enacted rate of 17%.

#### 13. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2019 £	2018 £
Dividends paid during the year	<u>-</u>	<u>56,000</u>

#### 14. Intangible assets

Group	Intellectual Rights £
Cost	
At 1 January 2019 and 31 December 2019	<u>2</u>
Amortisation	
At 1 January 2019 and 31 December 2019	<u>-</u>
Carrying amount	
At 1 January 2019 and 31 December 2019	<u>2</u>
At 31 December 2018	<u>2</u>

The company has no intangible assets.

# Larasian Limited

## Notes to the Financial Statements (continued)

### Year ended 31 December 2019

#### 15. Tangible assets

Group	Freehold & Leasehold Property £	Plant and Machinery £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 January 2019	10,094,048	950,995	1,822,349	196,677	13,064,069
Additions	837,661	165,740	269,636	22,069	1,295,106
Disposals	–	–	(3,689)	(12,135)	(15,824)
Foreign Exchange Differences	(124,865)	(1,786)	(10,042)	(3,291)	(139,984)
<b>At 31 December 2019</b>	<b>10,806,844</b>	<b>1,114,949</b>	<b>2,078,254</b>	<b>203,320</b>	<b>14,203,367</b>
<b>Depreciation</b>					
At 1 January 2019	1,366,324	620,547	1,310,238	128,814	3,425,923
Charge for the year	175,796	112,683	193,325	20,518	502,322
Disposals	–	–	(3,689)	(12,135)	(15,824)
Foreign Exchange Differences	(29,834)	(1,529)	(9,228)	(2,015)	(42,606)
<b>At 31 December 2019</b>	<b>1,512,286</b>	<b>731,701</b>	<b>1,490,646</b>	<b>135,182</b>	<b>3,869,815</b>
<b>Carrying amount</b>					
<b>At 31 December 2019</b>	<b>9,294,558</b>	<b>383,248</b>	<b>587,608</b>	<b>68,138</b>	<b>10,333,552</b>
At 31 December 2018	8,727,724	330,448	512,111	67,863	9,638,146
<b>Company</b>					
	Freehold & Leasehold Property £	Plant and Machinery £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 January 2019	1,678,564	13,241	95,428	50,636	1,837,869
Additions	19,772	–	6,045	–	25,817
<b>At 31 December 2019</b>	<b>1,698,336</b>	<b>13,241</b>	<b>101,473</b>	<b>50,636</b>	<b>1,863,686</b>
<b>Depreciation</b>					
At 1 January 2019	63,236	13,060	65,804	38,909	181,009
Charge for the year	34,075	181	19,406	7,644	61,306
<b>At 31 December 2019</b>	<b>97,311</b>	<b>13,241</b>	<b>85,210</b>	<b>46,553</b>	<b>242,315</b>
<b>Carrying amount</b>					
<b>At 31 December 2019</b>	<b>1,601,025</b>	<b>–</b>	<b>16,263</b>	<b>4,083</b>	<b>1,621,371</b>
At 31 December 2018	1,615,328	181	29,624	11,727	1,656,860

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 15. Tangible assets *(continued)*

Included within the above is investment property as follows:

	Group £	Company £
At 1 January 2019 and 31 December 2019	<u>1,013,881</u>	–
At 1 January 2019	<u>1,013,881</u>	–

Three properties are included in investment property in the Group. The market value shown at 31 December 2019 was determined by an independent, professionally qualified valuer where there was believed to be a significant change in value. The properties are subsequently carried at fair value determined annually. Changes in fair value are recognised in profit or loss.

Also included within Group Freehold & Leasehold Property:

Short-term leases costing £357,617 (2018: £358,666) with a net book value of £108,531 (2018: £137,056)  
Long-term leases costing £1,055,308 (2018: £1,035,536) with a net book value of £1,019,045 (2018: £1,020,384).

#### 16. Investments

Company	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2019 and 31 December 2019	<u>1,207,891</u>
<b>Impairment</b>	
At 1 January 2019 and 31 December 2019	–
<b>Carrying amount</b>	
At 1 January 2019 and 31 December 2019	<u>1,207,891</u>
At 31 December 2018	<u>1,207,891</u>

In the group, the cost and net book value of investments totalled £410 as at 1 January 2019 and £10 as at 31 December 2019, representing unlisted investments. During the year, a previously dormant company became active and is now included within the group consolidation.

In the company, the cost and net book value of investments in subsidiary undertakings totalled £1,207,891.

#### Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>		
Corintech Limited *	Ordinary	83.33
Lascar Electronics Limited *	Ordinary	100

# Larasian Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

### 16. Investments *(continued)*

	Class of share	Percentage of shares held
Video Recognition Systems Limited	Ordinary	83.33
TFW (UK) Limited	Ordinary	100
Select Country Inns Limited *	Ordinary	100
Lascar Electronics (HK) Limited	Ordinary	100
Lascar Electronics Inc	Ordinary	100
Cartwheel Inn Whitsbury Limited (formerly 3WData.Com Limited)	Ordinary	100
Lascar Limited	Ordinary	100
Lascar Group (HK) Limited	Ordinary	100
Corintech (HK) Limited	Ordinary	100
Bull Inn (WSG) Limited	Ordinary	100

\* Direct subsidiaries.

The registered office of Lascar Electronics Limited, Cartwheel Inn Whitsbury Limited, Video Recognition Systems Limited and Lascar Limited is Module House, Whiteparish, Salisbury, Wiltshire, SP5 2SJ.

The registered office of Lascar Electronics (HK) Limited and Lascar Group (HK) Limited is 13th Floor, Grand Building, 18 Connaught Road Central, Hong Kong.

The registered office of Corintech (HK) Limited 8th Floor, China Aerospace Center, 143 Hoi Bun Road, Kowloon, Hong Kong.

The registered office of Lascar Electronics Inc is 4528 West 12th Street, Erie, Pennsylvania, USA.

The registered office of Corintech Limited, Select Country Inns Limited and Bull Inn WSG Limited is Ashford Mill, Fordingbridge, Hampshire, SP6 1DZ.

The registered office of TFW (UK) Limited is The Royal Oak, Ringwood Road, North Gorley, Fordingbridge, Hampshire, SP6 2PB.

The following subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A:

Select Country Inns Limited  
TFW (UK) Limited  
Bull Inn (WSG) Limited  
Cartwheel Inn Whitsbury Limited

### 17. Stocks

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Raw materials and consumables	2,481,536	2,710,452	-	-
Work in progress	747,260	1,459,116	-	-
Finished goods and goods for resale	6,439,141	4,550,417	1,221,966	1,221,966
	<u>9,667,937</u>	<u>8,719,985</u>	<u>1,221,966</u>	<u>1,221,966</u>

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 18. Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	4,002,842	4,126,351	52,291	26,656
Amounts owed by group undertakings	–	–	2,797,855	2,073,059
Deferred tax asset	–	–	11,887	35,523
Prepayments and accrued income	257,897	171,750	9,848	10,841
Corporation tax repayable	–	87,079	–	–
Directors loan account	75,679	18,819	75,287	–
Other debtors	46,075	12,390	16,318	–
	<u>4,382,493</u>	<u>4,416,389</u>	<u>2,963,486</u>	<u>2,146,079</u>

#### 19. Creditors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans and overdrafts	242,589	235,749	242,589	235,749
Trade creditors	2,552,264	2,554,103	29,033	29,792
Amounts owed to group undertakings	–	–	2,114,067	2,090,950
Amounts owed to undertakings in which the company has a participating interest	143,009	143,009	143,009	143,009
Accruals and deferred income	956,131	471,194	50,758	41,394
Corporation tax	51,855	–	16,018	–
Social security and other taxes	162,383	222,127	41,124	41,120
Director loan accounts	–	–	–	924
Other creditors	204,549	33,932	–	–
	<u>4,312,780</u>	<u>3,660,114</u>	<u>2,636,598</u>	<u>2,582,938</u>

#### 20. Creditors: amounts falling due after more than one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans and overdrafts	<u>1,713,081</u>	<u>1,956,970</u>	<u>1,713,081</u>	<u>1,956,970</u>

An intercompany guarantee exists between Larasian Limited and Lascar Electronics Limited and Corintech Limited regarding the bank loans held by Larasian Limited.

# Larasian Limited

## Notes to the Financial Statements (continued)

Year ended 31 December 2019

Bank loans are repayable as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Between 1 and 2 years	249,589	242,550	249,589	242,550
Between 2 and 5 years	1,073,842	1,232,959	1,073,842	1,232,959
After 5 years	389,650	481,461	389,650	481,461
	<u>1,713,081</u>	<u>1,956,970</u>	<u>1,713,081</u>	<u>1,956,970</u>

Interest is payable at:

- 1.96% above Bank of England base rate (loan of £600,000)
- 2.16% above Bank of England base rate (loan of £1,100,000)
- 2.23% above Bank of England base rate (loan of £900,000).

The loans are secured by a fixed and floating charge over the assets of the group.

### 21. Provisions

Group	Warranties £	Deferred tax (note 22) £	Total £
Additions	3,570	42,153	45,723
At 31 December 2019	<u>6,151</u>	<u>60,200</u>	<u>66,351</u>

The company does not have any provisions.

### 22. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Included in debtors (note 18)	-	-	11,887	35,523
Included in provisions (note 21)	(60,200)	(18,047)	-	-
	<u>(60,200)</u>	<u>(18,047)</u>	<u>11,887</u>	<u>35,523</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Deferred tax - fixed asset timing difference	(72,368)	(57,010)	3,164	3,837
Deferred tax - short term timing differences	5,187	2,357	833	42
Deferred tax - losses and other deductions	16,331	45,956	7,890	31,644
Deferred tax - capital gains/(losses)	(9,350)	(9,350)	-	-
	<u>(60,200)</u>	<u>(18,047)</u>	<u>11,887</u>	<u>35,523</u>

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 23. Retirement benefits

##### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £227,793 (2018: £191,314).

The company operates personal and portable pension schemes for its directors and employees. The assets of the schemes are held separately from those of the company in independently administered funds. At the year end date, there were unpaid contributions of £30,514 (2018: £12,972) which are included in accruals and deferred income.

#### 24. Non-controlling interest

This represents the non-controlling interest in Corintech Limited and Corintech (HK) Limited.

#### 25. Share option scheme

During the year the Company granted 6,528 (2018: 68,889) share options to certain staff at an exercise price of £7.71 (2018: £7.71). The scheme conditions state that the options can only be exercised on an exit event. During the year 3,727 (2018: 2,750) options lapsed because the option holder left the employment of the group and no options (2018: no options) were exercised. At the year end, 68,940 (2018: 66,139) options were outstanding. No share based payment charge has been recognised because at the reporting date it was not considered probable that the vesting conditions would be met.

#### 26. Called up share capital

##### Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

#### 27. Reserves

Share premium account: This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account: This reserve records retained earnings and accumulated losses.

Capital redemption reserve: This reserve records the nominal value of shares repurchased.

Other reserves: This reserve records exchange differences on translation.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 28. Analysis of changes in net debt

	At 1 Jan 2019	Cash flows	At 31 Dec 2019
	£	£	£
Cash at bank and in hand	2,366,042	362,117	2,728,159
Debt due within one year	(235,749)	(6,840)	(242,589)
Debt due after one year	(1,956,970)	243,889	(1,713,081)
	<u>173,323</u>	<u>599,166</u>	<u>722,489</u>

#### 29. Operating leases

##### As lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Not later than 1 year	115,678	115,678	–	–
Later than 1 year and not later than 5 years	459,783	460,661	–	–
Later than 5 years	542,040	656,153	–	–
	<u>1,117,501</u>	<u>1,232,492</u>	<u>–</u>	<u>–</u>

In the year included in group operating profit are lease payments of £115,658 (2018: £118,375).

An intercompany guarantee exists between Larasian Limited and TFW (UK) Limited regarding the property lease held by TFW (UK) Limited.

##### As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Not later than 1 year	52,550	40,600	4,850	3,900
Later than 1 year and not later than 5 years	88,000	99,000	–	–
	<u>140,550</u>	<u>139,600</u>	<u>4,850</u>	<u>3,900</u>

In the year included in group income are rent payments of £93,200 (2018: £45,400).

#### 30. Guarantees

The company is party to a statutory guarantee under the Companies Act 2006. The company guarantees all outstanding debts and liabilities of certain subsidiaries (see note 16) as at 31 December 2019 until they are satisfied in full.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### **31. Events after the end of the reporting period**

On 30 January 2020, 9,464 new share options in the entity were granted to certain individuals of the group at an exercise price of £5.69. On 30 October 2020, a further 101,385 new share options were granted at an exercise price of £5.69. These vest on an exit event only.

On 29 April 2020 a new bank loan of £750,000 was drawn down to finance property developments within the group.

Since the first quarter of 2020 the UK and the rest of the world have been dealing with the health and economic risks associated with the Coronavirus known as Covid-19. At an early stage the group took significant actions to mitigate the health risks in the workplace which included a significant number of staff working from home for an extended period of time. The group supplies essential products to a number of customers and therefore continued production in difficult circumstances. At the same time actions were taken to protect future cash flow requirements with careful monitoring of working capital in order to maximise cash reserves. Although there will be some reduction in revenue the company has continued to make satisfactory levels of profit.

#### **32. Director loan accounts**

As detailed in Notes 18 and 19, there are Director loan accounts in the group. Interest is charged at 2.5% per annum. The loans are repayable on demand.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

### 33. Related party transactions

#### Group

During the year, total dividends of £Nil (2018: £56,000) were paid to the shareholders.

During the year, the group carried out the following transactions during the normal course of business with related parties:

#### Lascar Electronics Executive Pension Scheme

Goods and services supplied by the group: £15,747 (2018: £31,892).

Commercial annual rents of £85,200 (2018: £85,200) are payable by the group.

Other goods and services supplied to the group: £11,891 (2018: £10,577).

At the year end date, the amount due to the Pension Fund was £15,940 (2018: £20,420).

#### Micromart Computer Systems Limited

This company is controlled by Brian and Glynis Currie.

At the year end date, the amount due to Micromart Computer Systems Limited was £143,009 (2018: £143,009). There were no transactions during the year. There are no fixed terms of repayment.

#### Burgate Court Management Limited

This is a property management company under the control of B. Currie. It has no income or expenditure in its own right and it owns assets on trust for the owners of the properties in Burgate Court.

Building and administrative services supplied by the group: £1,480 (2018: £1,068).

A service fee of £4,008 (2018: £4,008) has been levied by Burgate Court Management Limited.

At the year end date, the amount due to Burgate Court Management Limited was £12 (2017: £1,887).

#### Trade Aid

This is a charity of which Brian Currie is a Trustee with significant influence.

Donations from the group amounted to £196,986 (2018: £185,032).

At the year end date, the amount due from Trade Aid was £Nil (2018: £Nil).

#### B. Currie and Mrs. G. Currie

The group provided building services totalling £3,590 (2018: £1,355) to its directors/shareholders.

Staff employed by Mr. B. and Mrs. G. Currie but charged to Larasian Limited: £Nil (2018: £9,110).

As detailed in Note 33, there are Director loan accounts in the group. Interest is charged at 2.5 per annum.

The loans are payable on demand.

At the year end date, the amount due to Larasian Limited was £74,895 (2018: £924).

#### Regal Fordingbridge Cinema Club

This is a private members club of which B. Currie is a committee member with significant influence.

Goods and services supplied by the group £3,807 (2018: £6,380).

Building and administrative services supplied by the group: £Nil (2018: £5,988).

Goods and services supplied to the group: £6,317 (2018: £1,100).

At the year end date, the amount due from Regal Fordingbridge Cinema Club was £45 (2018: £759).

#### Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the group. The cost of key management personnel for services provided to the group was as follows:

Short-term employment benefits £261,599 (2018: £229,434)

Post-employment benefits £16,670 (2018: £15,548)

During the year, services provided to the group by close family members of key management personnel:

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

£75,887 (2018: £86,483). In addition, rent received from close family members of key management personnel: £18,000 (2018: £18,000).

At the year end, the amount owed by close family members of key management personnel: £65,955 (2018: £11,664 )

#### **Company**

During the year, total dividends of £Nil (2018: £56,000) were paid to the shareholders.

During the year, services provided to Larasian Limited by close family members of key management personnel: £19,291 (2018: £73,316). In addition, rent received from close family members of key management personnel: £18,000 (2018: £18,000).

At the year end, the amount due from close family members was £35,883 (2018: £1,574).

During the year, the company carried out the following transactions during the normal course of business with related parties:

#### **Lascar Electronics Executive Pension Scheme**

Goods and services supplied by Larasian Limited: £15,747 (2018: £31,892).

A commercial annual rent of £12,200 (2018: £12,200) is payable.

Other goods and services supplied to Larasian Limited: £11,891 (2018: £10,577).

At the year end date, the amount due from the Pension Fund was £5,960 (2018: £23,380).

#### **Corintech Limited - 83.33% subsidiary**

Goods and services supplied by Larasian Limited: £53,495 (2018: £56,849).

Administrative staff employed by Larasian Limited but charged to Corintech Limited: £179,221 (2018: £186,390).

Building services staff employed by Larasian Limited but charged to Corintech Limited: £12,680 (2018: £13,740).

Goods and services supplied to Larasian Limited: £21,573 (2018: £8,123).

At the year end date, the amount due to Corintech Limited was £790,417 (2018: £536,209).

#### **Micromart Computer Systems Limited - Company controlled by Brian and Glynis Currie**

At the year end date, the amount due to Micromart Computer Systems Limited was £143,009 (2018: £143,009). There were no transactions during the year. There are no fixed terms of repayment.

#### **Burgate Court Management Limited**

This is a property management company under the control of B. Currie. It has no income or expenditure in its own right and it owns assets on trust for the owners of the properties in Burgate Court.

Building and administrative services in the sum of £1,480 (2018: £1,068) have been charged to Burgate Court Management Limited.

A service fee of £4,008 (2018: £4,008) has been levied by Burgate Court Management Limited.

# Larasian Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### 33. Related party transactions *(continued)*

At the year end date, the amount due to Burgate Court Management Limited was £12 (2018: £1,887).

##### **Trade Aid**

This is a charity of which B. Currie is a Trustee with significant influence.

Donations from Larasian Limited amounted to £40,170 (2018: £39,081).

As at the year end date, the amount due from Trade Aid was £Nil (2018: £Nil).

##### **Regal Fordingbridge Cinema Club**

This is a private members club of which B. Currie is a committee member with significant influence.

Goods and services supplied by Larasian Limited: £150 (2018: £50).

Administrative staff in the sum of £Nil (2018: £5,988) have been charged to Regal Fordingbridge Cinema Club.

At the year end date, the amount due to Larasian Limited was £45 (2018: £Nil).

##### **B. Currie and Mrs. G. Currie**

The company provided building services totalling £3,590 (2018: £1,355) to its directors/shareholders.

Staff employed by Mr. B. and Mrs. G. Currie but charged to Larasian Limited: £Nil (2018: £9,110).

As detailed in Note 33, there are Director loan accounts in the company. Interest is charged at 2.5% per annum. The loans are payable on demand.

At the year end date, the amount due to Larasian Limited was £75,287 (2018: £924).

#### 34. Controlling party

The group is controlled jointly by Mr B. Currie and Mrs G. Currie by virtue of their 100% holding in the share capital of the parent company.