

Larasian Limited
Directors' Report and Financial Statements
31 December 2020



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 2020

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	4
Independent auditor's report to the members	6
Consolidated statement of comprehensive income	10
Consolidated statement of financial position	11
Company statement of financial position	13
Consolidated statement of changes in equity	14
Company statement of changes in equity	15
Consolidated statement of cash flows	16
Notes to the financial statements	17

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 2020

The directors present their strategic report for the year ended 31 December 2020.

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 in line with expectations. Turnover increased by 0.6% compared to 2019. Gross profit margin decreased from 36.0% in 2019 to 35.0% in 2020. Operating profit margin fell from 7.9% in 2019 to 0.8% in 2020 mainly as a result of impairment of freehold property assets of £1.49m. Turnover per employee rose from £105,803 in 2019 to £109,545 in 2020. Return on capital employed decreased from 7.8% in 2019 to 0.8% in 2020.

The directors expect the profit for the group to grow in 2021. 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. Restrictions due to Covid-19 continued in the first half of 2021 but group companies were able to improve revenue and profits as they supply a number of products which support the Coronavirus vaccination programme. At the same time sales to other customers have started to increase towards pre-pandemic levels. As restrictions are eased in the second half of 2021 this should enable revenue and profit to continue to recover. The group continues to protect cash requirements through control of working capital.

The United Kingdom left the European Union at the beginning of 2020 and concluded the transition period on

Larasian Limited

Strategic Report *(continued)*

Year ended 31 December 2020

31 December 2020. The effects of this change were not significant in terms of business continuity and business risks associated with the change diminished over the first half of 2021.

This report was approved by the board of directors on 24/11/2021
by:

and signed on behalf of the board



Julian Navey (Nov 24, 2021 11:26 GMT)

Julian Navey
Company Secretary

Larasian Limited

Directors' Report

Year ended 31 December 2020

The directors present their report and the financial statements of the group for the year ended 31 December 2020.

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 loss for the year, after taxation, amounted to £6,570. 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

Particulars of events after the reporting date are detailed in note 31 to the financial statements.

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.

Disclosure of information in the strategic report

Certain information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the strategic report.

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 2020

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 24/11/2021 and signed on behalf of the board by:


Julian Navey (Nov 24, 2021 11:26 GMT)

Julian Navey
Company Secretary

Larasian Limited

Independent Auditor's Report to the Members of Larasian Limited

Year ended 31 December 2020

Opinion

We have audited the financial statements of Larasian Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 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 notes to the Financial Statements, including 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 2020 and of the group's loss 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Larasian Limited

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

Year ended 31 December 2020

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 contained within the Directors' Report and Financial Statements. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 those 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 their 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 4 and 5, 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.

Larasian Limited

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

Year ended 31 December 2020

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained a general understanding of the group's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies, and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the group's industry and regulation.

We understand that the group complies with the framework through:

- Outsourcing tax compliance to external experts.
- Subscribing to relevant updates from external experts and making changes to internal procedures and controls as necessary.
- The Directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the group's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the group:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Stock and debtors provisions as these are estimates made by Management
- Property classification and valuation given the judgements and estimation involved
- Manipulation of the financial statements, especially revenue, via fraudulent journal entries or error affecting cut-off around the year end.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Challenging management regarding the assumptions used in the estimates and judgements identified above, and comparison to post-year-end data as appropriate.
- Substantive testing on revenue recognition including testing on deferred income balances ensuring that revenue was recognised appropriately.

Larasian Limited

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

Year ended 31 December 2020

- Substantive work on material areas affecting profits.
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts.
- Review of component auditor working papers.

A further description of our responsibilities is available on the Financial Reporting Council's website at 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 (Nov 24, 2021 12:31 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

Date : 24/11/2021

Larasian Limited
Consolidated Statement of Comprehensive Income
Year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	4	22,675,863	22,536,054
Cost of sales		<u>(14,741,724)</u>	<u>(14,432,341)</u>
Gross profit		7,934,139	8,103,713
Distribution costs		(1,452,314)	(1,699,340)
Administrative expenses		(6,666,646)	(4,630,797)
Other operating income	5	<u>377,524</u>	<u>8,702</u>
Operating profit	6	192,703	1,782,278
Other interest receivable and similar income	10	3,011	1,872
Interest payable and similar expenses	11	<u>(58,776)</u>	<u>(59,986)</u>
Profit before taxation		136,938	1,724,164
Tax on profit	12	<u>(143,508)</u>	<u>(115,569)</u>
(Loss)/profit for the financial year		<u>(6,570)</u>	<u>1,608,595</u>
Foreign currency retranslation		<u>(86,564)</u>	<u>(91,517)</u>
Total comprehensive (loss)/income for the year		<u>(93,134)</u>	<u>1,517,078</u>
(Loss)/profit for the financial year attributable to:			
The owners of the parent company		(115,758)	1,482,238
Non-controlling interest		<u>109,188</u>	<u>126,357</u>
		<u>(6,570)</u>	<u>1,608,595</u>
Total comprehensive (loss)/income for the year attributable to:			
The owners of the parent company		(201,190)	1,390,983
Non-controlling interest		<u>108,056</u>	<u>126,095</u>
		<u>(93,134)</u>	<u>1,517,078</u>

All the activities of the group are from continuing operations.

The notes on pages 17 to 38 form part of these financial statements.

Larasian Limited

Consolidated Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	14	2	2
Tangible assets	15	9,161,095	10,333,552
Investments	16	10	10
		<u>9,161,107</u>	<u>10,333,564</u>
Current assets			
Stocks	17	7,331,988	9,667,937
Debtors	18	4,671,555	4,382,493
Cash at bank and in hand		6,739,763	2,728,159
		<u>18,743,306</u>	<u>16,778,589</u>
Creditors: amounts falling due within one year	19	<u>(4,678,932)</u>	<u>(4,312,780)</u>
Net current assets		<u>14,064,374</u>	<u>12,465,809</u>
Total assets less current liabilities		<u>23,225,481</u>	<u>22,799,373</u>
Creditors: amounts falling due after more than one year	20	(2,229,462)	(1,713,081)
Provisions			
Deferred Tax	21	(64,347)	(60,200)
Other provisions	21	<u>(8,866)</u>	<u>(6,151)</u>
		<u>(73,213)</u>	<u>(66,351)</u>
Net assets		<u>20,922,806</u>	<u>21,019,941</u>
Capital and reserves			
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	162,378	247,810
Profit and loss account	27	19,140,966	19,260,724
Equity attributable to the owners of the parent company		<u>19,578,063</u>	<u>19,783,253</u>
Non-controlling interest		<u>1,344,743</u>	<u>1,236,688</u>
		<u>20,922,806</u>	<u>21,019,941</u>

The consolidated statement of financial position
continues on the following page.

The notes on pages 17 to 38 form part of these financial statements.

Larasian Limited

Consolidated Statement of Financial Position *(continued)*

31 December 2020

These financial statements were approved by the board of directors and authorised for issue on 24/11/2021 ,
and are signed on behalf of the board by:

brian currie
brian currie (Nov 24, 2021 12:14 GMT)

Mr B G Currie
Director

Company registration number: 01278183

The notes on pages 17 to 38 form part of these financial statements.

Larasian Limited
Company Statement of Financial Position
31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	1,573,058	1,621,371
Investments	16	1,207,891	1,207,891
		<u>2,780,949</u>	<u>2,829,262</u>
Current assets			
Stocks	17	1,221,966	1,221,966
Debtors	18	1,997,630	2,963,486
Cash at bank and in hand		216,921	36,323
		<u>3,436,517</u>	<u>4,221,775</u>
Creditors: amounts falling due within one year	19	<u>(3,126,908)</u>	<u>(2,636,598)</u>
Net current assets		<u>309,609</u>	<u>1,585,177</u>
Total assets less current liabilities		<u>3,090,558</u>	<u>4,414,439</u>
Creditors: amounts falling due after more than one year	20	<u>(2,229,462)</u>	<u>(1,713,081)</u>
Net assets		<u><u>861,096</u></u>	<u><u>2,701,358</u></u>
Capital and reserves			
Called up share capital	26	100	100
Profit and loss account	27	860,996	2,701,258
Shareholders funds		<u><u>861,096</u></u>	<u><u>2,701,358</u></u>

The loss for the financial year of the parent company was £1,836,262 (2019: £328,271 profit).

These financial statements were approved by the board of directors and authorised for issue on 24/11/2021, and are signed on behalf of the board by:

brian currie
brian currie (Nov 24, 2021 12:14 GMT)

Mr B G Currie
Director

Company registration number: 01278183

The notes on pages 17 to 38 form part of these financial statements.

Larasian Limited
Consolidated Statement of Changes in Equity
Year ended 31 December 2020

	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 £
At 1 January 2019	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)
Total comprehensive income for the year	—	—	—	(91,254)	1,482,238	1,390,984	126,094	1,517,078
At 31 December 2019	100	259,619	15,000	247,810	19,260,724	19,783,253	1,236,687	21,019,940
Loss for the year					(115,758)	(115,758)	109,188	(6,570)
Other comprehensive income for the year:								
Foreign currency retranslation	—	—	—	(85,432)	—	(85,432)	(1,132)	(86,564)
Total comprehensive income for the year	—	—	—	(85,432)	(115,758)	(201,190)	108,056	(93,134)
Dividends paid and payable	13	—	—	—	(4,000)	(4,000)	—	(4,000)
Total investments by and distributions to owners	—	—	—	—	(4,000)	(4,000)	—	(4,000)
At 31 December 2020	<u>100</u>	<u>259,619</u>	<u>15,000</u>	<u>162,378</u>	<u>19,140,966</u>	<u>19,578,063</u>	<u>1,344,743</u>	<u>20,922,806</u>

The notes on pages 17 to 38 form part of these financial statements.

Larasian Limited
Company Statement of Changes in Equity
Year ended 31 December 2020

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2019	100	2,372,987	2,373,087
Profit for the year	—	328,271	328,271
Total comprehensive income for the year	—	328,271	328,271
At 31 December 2019	100	2,701,258	2,701,358
Loss for the year	—	(1,836,262)	(1,836,262)
Total comprehensive income for the year	—	(1,836,262)	(1,836,262)
Dividends paid and payable	13	(4,000)	(4,000)
Total investments by and distributions to owners	—	(4,000)	(4,000)
At 31 December 2020	<u>100</u>	<u>860,996</u>	<u>861,096</u>

The notes on pages 17 to 38 form part of these financial statements.

Larasian Limited

Consolidated Statement of Cash Flows

Year ended 31 December 2020

	2020	2019
	£	£
Cash flows from operating activities		
(Loss)/profit for the financial year	(6,570)	1,608,595
<i>Adjustments for:</i>		
Depreciation of tangible assets	459,328	502,322
Impairment of tangible assets	1,491,684	–
Fair value adjustment of investment property	158,956	–
Other interest receivable and similar income	(3,011)	(1,872)
Interest payable and similar expenses	58,776	59,986
Gains on disposal of tangible assets	–	(481)
Tax on (loss)/profit	143,508	115,569
Foreign currency exchange differences	1,895	5,862
<i>Changes in:</i>		
Stocks	2,335,949	(947,952)
Trade and other debtors	(289,062)	(53,183)
Trade and other creditors	213,488	593,971
Provisions and employee benefits	2,715	3,570
Cash generated from operations	<u>4,567,656</u>	<u>1,886,387</u>
Interest paid	(58,776)	(59,986)
Interest received	3,011	1,872
Tax (paid)/received	(99,382)	65,518
Net cash from operating activities	<u>4,412,509</u>	<u>1,893,791</u>
Cash flows from investing activities		
Purchase of tangible assets	(1,025,971)	(1,295,106)
Proceeds from sale of tangible assets	–	481
Net cash used in investing activities	<u>(1,025,971)</u>	<u>(1,294,625)</u>
Cash flows from financing activities		
Proceeds from borrowings	750,000	–
Repayments of borrowings	(120,934)	(237,049)
Dividends paid	(4,000)	–
Net cash from/(used in) financing activities	<u>625,066</u>	<u>(237,049)</u>
Net increase in cash and cash equivalents	<u>4,011,604</u>	<u>362,117</u>
Cash and cash equivalents at beginning of year	<u>2,728,159</u>	<u>2,366,042</u>
Cash and cash equivalents at end of year	<u>6,739,763</u>	<u>2,728,159</u>

The notes on pages 17 to 38 form part of these financial statements.

Larasian Limited

Notes to the Financial Statements

Year ended 31 December 2020

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 for the Group for the period to the end of December 2022 and beyond, which considers the funding structure currently in place as well as potential alternative funding scenarios. 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.

Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in profit or loss in the same period as the related expenditure.

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

Consolidation

The group financial statements include the financial statements of the parent company and all of its subsidiary undertakings made up to 31st December 2020. 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.

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 2020

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 net of provisions totalled £4,282,288 (2019: £4,002,842).

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 net of provisions totalled £7,331,988 (2019: £9,667,937).

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 2020 was £8,866 (2019: £6,151), including provisions made during the year of £2,715 (2019: £3,570).

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 £9,161,095 (2019: £10,333,552).

Investment properties:

Investment properties are valued internally by directors each year. At the year end, investment property in the group was valued at £1,667,477 (2019: £1,013,881).

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Revenue from the sale of goods is recognised at the point of despatch as this is when the risks and rewards of ownership are deemed to have been transferred to customers. Subscription income is recognised in the period to which it relates.

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 2020

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 2020

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 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 2020

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 2020

4. Turnover

Turnover arises from:

	2020	2019
	£	£
Sale of goods	22,040,152	21,975,163
Services & staff recharged	635,711	560,891
	<u>22,675,863</u>	<u>22,536,054</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:

	2020	2019
	£	£
United Kingdom	15,742,570	15,733,533
Europe	1,275,925	1,340,133
USA	4,367,412	4,010,850
Asia/Far East	842,996	994,893
Africa	23,282	17,705
Australia	91,542	120,152
Rest of the World	236,973	234,314
Middle East	95,163	84,474
	<u>22,675,863</u>	<u>22,536,054</u>

5. Other operating income

	2020	2019
	£	£
Other operating income	<u>377,524</u>	<u>8,702</u>

Included in other operating income are Government grants related to the Covid-19 pandemic of £370,992.

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2020	2019
	£	£
Depreciation of tangible assets	459,328	502,322
Impairment of tangible assets recognised in:		
Administrative expenses	1,491,684	-
Gains on disposal of tangible assets	-	(481)
Fair value adjustments to investment property	158,956	-
Impairment of trade debtors	1,222	-
Foreign exchange differences	173,537	95,199
Impairment of inventory (included in cost of sales)	(22,866)	46,343
Research & development expenditure written off	<u>1,074,144</u>	<u>964,346</u>

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Auditor's remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	<u>24,774</u>	<u>18,746</u>

8. Staff costs

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

	2020	2019
	No.	No.
Production staff	125	132
Distribution staff	34	30
Administrative staff	35	38
Directors	<u>13</u>	<u>13</u>
	<u>207</u>	<u>213</u>

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

	2020	2019
	£	£
Wages and salaries	6,247,042	5,751,573
Social security costs	468,039	440,697
Other pension costs	<u>393,157</u>	<u>227,793</u>
	<u>7,108,238</u>	<u>6,420,063</u>

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

	2020	2019
	No.	No.
Production staff	5	6
Distribution staff	0	0
Administrative staff	12	12
Number of directors	<u>5</u>	<u>5</u>
	<u>22</u>	<u>23</u>

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

	2020	2019
	£	£
Wages and salaries	109,337	127,900
Social security costs	52,579	52,784
Other pension costs	<u>41,368</u>	<u>21,989</u>
	<u>203,284</u>	<u>202,673</u>

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

9. Directors' remuneration

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

	2020	2019
	£	£
Remuneration	245,978	235,800
Company contributions to defined contribution pension plans	<u>160,124</u>	<u>16,671</u>
	<u><u>406,102</u></u>	<u><u>252,471</u></u>

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

	2020	2019
	No.	No.
Defined contribution plans	<u>3</u>	<u>3</u>

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

	2020	2019
	£	£
Aggregate remuneration	101,731	113,080
Company contributions to defined contribution pension plans	<u>89,689</u>	<u>8,953</u>
	<u><u>191,420</u></u>	<u><u>122,033</u></u>

10. Other interest receivable and similar income

	2020	2019
	£	£
Interest on loans and receivables	1,868	-
Interest on cash and cash equivalents	<u>1,143</u>	<u>1,872</u>
	<u><u>3,011</u></u>	<u><u>1,872</u></u>

11. Interest payable and similar expenses

	2020	2019
	£	£
Interest on banks loans and overdrafts	<u>58,776</u>	<u>59,986</u>

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Tax on (loss)/profit

Major components of tax (income)/expense

	2020	2019
	£	£
Current tax:		
UK current tax expense	1,721	10,697
Adjustments in respect of prior periods	(258)	(14)
Total UK current tax	<u>1,463</u>	<u>10,683</u>
Foreign current tax expense	141,696	66,492
Adjustments in respect of prior periods	(3,798)	(3,759)
Total foreign tax	<u>137,898</u>	<u>62,733</u>
Total current tax	<u>139,361</u>	<u>73,416</u>
Deferred tax:		
Origination and reversal of timing differences	4,147	42,153
Tax on profit	<u>143,508</u>	<u>115,569</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK of 16.65% (2019: 19.28%).

	2020	2019
	£	£
Profit on ordinary activities before taxation	<u>136,938</u>	<u>1,724,164</u>
Profit on ordinary activities by rate of tax	22,802	332,344
Adjustment to tax charge in respect of prior periods	4,056	3,773
Effect of expenses not deductible for tax purposes	253,698	6,002
Effect of capital allowances and depreciation	15,838	14,472
Effect of revenue exempt from tax	(20,251)	–
Utilisation of tax losses	(313,621)	–
Research & development	(265,314)	(238,193)
Permanent and short term differences	7,968	(14,489)
Foreign tax charge & double taxation relief	51,136	16,998
Deferred taxation rate changes	387,196	(5,338)
Tax on (loss)/profit	<u>143,508</u>	<u>115,569</u>

Factors that may affect future tax expense

Finance Bill 2021 includes legislation to increase the main rate of corporation tax from 19% to 25% from 1 April 2023. In addition, a temporary 130% super-deduction for expenditure on new plant and machinery will apply for two years from 1 April 2021. These changes are not included above as Finance Bill 2021 was not substantively enacted by the year end.

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

13. Dividends

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

	2020	2019
	£	£
Dividends paid during the year	<u>4,000</u>	<u>–</u>

14. Intangible assets

Group	Intellectual Rights £
Cost	
At 1 January 2020 and 31 December 2020	<u>2</u>
Amortisation	
At 1 January 2020 and 31 December 2020	<u>–</u>
Carrying amount	
At 1 January 2020 and 31 December 2020	<u>2</u>
At 31 December 2019	<u>2</u>

The company has no intangible assets.

15. Tangible assets

Group	Freehold & Leasehold Property £	Plant and Machinery £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost					
At 1 January 2020	10,806,844	1,114,949	2,078,254	203,320	14,203,367
Additions	912,272	19,196	94,503	–	1,025,971
Disposals	–	(221,426)	(232,787)	–	(454,213)
Revaluations	(158,956)	–	–	–	(158,956)
Foreign Exchange Differences	(116,417)	(1,817)	(11,477)	(3,068)	(132,779)
At 31 December 2020	<u>11,443,743</u>	<u>910,902</u>	<u>1,928,493</u>	<u>200,252</u>	<u>14,483,390</u>
Depreciation					
At 1 January 2020	1,512,286	731,701	1,490,646	135,182	3,869,815
Charge for the year	179,609	104,920	164,130	10,669	459,328
Disposals	–	(221,426)	(232,787)	–	(454,213)
Impairment losses	1,491,684	–	–	–	1,491,684
Foreign Exchange Differences	(31,112)	(1,595)	(7,718)	(3,894)	(44,319)
At 31 December 2020	<u>3,152,467</u>	<u>613,600</u>	<u>1,414,271</u>	<u>141,957</u>	<u>5,322,295</u>
Carrying amount					
At 31 December 2020	<u>8,291,276</u>	<u>297,302</u>	<u>514,222</u>	<u>58,295</u>	<u>9,161,095</u>
At 31 December 2019	<u>9,294,558</u>	<u>383,248</u>	<u>587,608</u>	<u>68,138</u>	<u>10,333,552</u>

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

15. Tangible assets *(continued)*

Company	Freehold & Leasehold Property £	Plant and Machinery £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost					
At 1 January 2020	1,698,336	13,241	101,473	50,636	1,863,686
Additions	–	–	3,379	–	3,379
At 31 December 2020	<u>1,698,336</u>	<u>13,241</u>	<u>104,852</u>	<u>50,636</u>	<u>1,867,065</u>
Depreciation					
At 1 January 2020	97,311	13,241	85,210	46,553	242,315
Charge for the year	33,686	–	13,923	4,083	51,692
At 31 December 2020	<u>130,997</u>	<u>13,241</u>	<u>99,133</u>	<u>50,636</u>	<u>294,007</u>
Carrying amount					
At 31 December 2020	<u>1,567,339</u>	<u>–</u>	<u>5,719</u>	<u>–</u>	<u>1,573,058</u>
At 31 December 2019	<u>1,601,025</u>	<u>–</u>	<u>16,263</u>	<u>4,083</u>	<u>1,621,371</u>

Included within the above is investment property as follows:

	Group £	Company £
At 1 January 2020	1,013,881	–
Fair value movement	(158,956)	–
Transfers from tangible assets	812,552	–
At 31 December 2020	<u>1,667,477</u>	<u>–</u>

Five (2019: three) properties are included in investment property in the Group. The market value shown at 31 December 2020 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 £356,639 (2019: £357,617) with a net book value of £81,051 (2019: £108,531)
 Long-term leases costing £1,055,308 (2019: £1,055,308) with a net book value of £997,947 (2019: £1,019,045).

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

16. Investments

Company	Shares in group undertakings £
Cost	
At 1 January 2020 and 31 December 2020	<u>1,207,891</u>
Impairment	
At 1 January 2020 and 31 December 2020	<u>—</u>
Carrying amount	
At 1 January 2020 and 31 December 2020	<u>1,207,891</u>
At 31 December 2019	<u>1,207,891</u>

In the group, the cost and net book value of investments totalled £10 as at 1 January 2020 and 31 December 2020, representing unlisted investments.

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
Subsidiary undertakings		
Corintech Limited *	Ordinary	83.33
Lascar Electronics Limited *	Ordinary	100
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
Railway Hotel Fordingbridge Limited	Ordinary	100

* Direct subsidiaries.

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

16. Investments *(continued)*

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 registered office of Railway Hotel Fordingbridge Limited is 116 Station Road, Fordingbridge, Hampshire, SP6 1DG.

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
Railway Hotel Fordingbridge Limited

17. Stocks

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Raw materials and consumables	1,796,639	2,481,536	–	–
Work in progress	633,282	747,260	–	–
Finished goods and goods for resale	4,902,067	6,439,141	1,221,966	1,221,966
	<u>7,331,988</u>	<u>9,667,937</u>	<u>1,221,966</u>	<u>1,221,966</u>

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

18. Debtors

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	4,282,288	4,002,842	66,053	52,291
Amounts owed by group undertakings	–	–	1,806,172	2,797,855
Deferred tax asset	–	–	16,935	11,887
Prepayments and accrued income	244,952	257,897	10,523	9,848
Directors loan account	97,264	75,679	81,929	75,287
Other debtors	47,051	46,075	16,018	16,318
	<u>4,671,555</u>	<u>4,382,493</u>	<u>1,997,630</u>	<u>2,963,486</u>

19. Creditors: amounts falling due within one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts	355,274	242,589	355,274	242,589
Trade creditors	2,053,426	2,552,264	70,934	29,033
Amounts owed to group undertakings	–	–	2,377,197	2,114,067
Amounts owed to undertakings in which the company has a participating interest	143,009	143,009	143,009	143,009
Accruals and deferred income	1,375,635	956,131	110,669	50,758
Corporation tax	91,834	51,855	–	16,018
Social security and other taxes	613,014	162,383	69,825	41,124
Other creditors	46,740	204,549	–	–
	<u>4,678,932</u>	<u>4,312,780</u>	<u>3,126,908</u>	<u>2,636,598</u>

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts	<u>2,229,462</u>	<u>1,713,081</u>	<u>2,229,462</u>	<u>1,713,081</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 2020

Bank loans are repayable as follows:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Between 1 and 2 years	410,984	249,589	410,984	249,589
Between 2 and 5 years	1,768,478	1,073,842	1,768,478	1,073,842
After 5 years	50,000	389,650	50,000	389,650
	<u>2,229,462</u>	<u>1,713,081</u>	<u>2,229,462</u>	<u>1,713,081</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)
- 2.62% above Bank of England base rate (loan of £750,000).

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	2,715	4,147	6,862
At 31 December 2020	<u>8,866</u>	<u>64,347</u>	<u>73,213</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	
	2020	2019	2020	2019
	£	£	£	£
Included in debtors (note 18)	–	–	16,935	11,887
Included in provisions (note 21)	(64,347)	(60,200)	–	–
	<u>(64,347)</u>	<u>(60,200)</u>	<u>16,935</u>	<u>11,887</u>

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax - fixed asset timing difference	(65,884)	(72,368)	4,582	3,164
Deferred tax - short term timing differences	3,906	5,187	3,906	833
Deferred tax - losses and other deductions	17,882	16,331	8,447	7,890
Deferred tax - capital gains/(losses)	(20,251)	(9,350)	–	–
	<u>(64,347)</u>	<u>(60,200)</u>	<u>16,935</u>	<u>11,887</u>

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

23. Retirement benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £393,157 (2019: £227,793).

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 £86,384 (2019: £30,514) 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 110,136 (2019: 6,528) share options to certain staff at an exercise price of £5.69 (2019: £7.71). The scheme conditions state that the options can only be exercised on an exit event. During the year 1,392 (2019 3,727) options lapsed because the option holder left the employment of the group and no options (2019: no options) were exercised. At the year end, 177,684 (2019: 68,940) 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

	2020		2019	
	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 2020

28. Analysis of changes in net debt

	At 1 Jan 2020	Cash flows	At 31 Dec 2020
	£	£	£
Cash at bank and in hand	2,728,159	4,011,604	6,739,763
Debt due within one year	(385,598)	(112,685)	(498,283)
Debt due after one year	(1,713,081)	(516,381)	(2,229,462)
	<u>629,480</u>	<u>3,382,538</u>	<u>4,012,018</u>

29. Operating leases

As lessee

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Not later than 1 year	106,635	115,678	-	-
Later than 1 year and not later than 5 years	459,200	459,783	-	-
Later than 5 years	427,240	542,040	-	-
	<u>993,075</u>	<u>1,117,501</u>	<u>-</u>	<u>-</u>

In the year included in group operating profit are lease payments of £99,722 (2019: £115,658).

An intercompany guarantee exists between Larasian Limited and TFW (UK) Limited regarding the property lease held by TFW (UK) Limited, totalling £242,055 (2019: £292,600).

As lessor

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Not later than 1 year	52,350	52,550	3,650	4,850
Later than 1 year and not later than 5 years	40,000	88,000	-	-
	<u>92,350</u>	<u>140,550</u>	<u>3,650</u>	<u>4,850</u>

In the year included in group income are rent payments of £81,942 (2019: £93,200).

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 2020 until they are satisfied in full.

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

31. Events after the end of the reporting period

On 18 March 2021, investment property was sold for a consideration of £290,000.

On 18 March 2021, 52,581 new share options in the entity were granted to certain individuals of the group at an exercise price of £5.69. On 14 September 2021, a further 3,605 new share options were granted at an exercise price of £11.68. These vest on an exit event only.

On 25 October 2021 Corintech Limited bought-back 73,898 ordinary shares of £1 each for consideration of £872,000.

On 12 November 2021 Larasian Limited repaid in full a loan from Nat West Bank plc. The value of that loan at 31 December 2020 was £750,000.

32. Director loan accounts

As detailed in Note 18, 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 2020

33. Related party transactions

Group

During the year, total dividends of £4,000 (2019: £Nil) 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: £23,795 (2019: £15,747).

Commercial annual rents of £85,200 (2019: £85,200) are payable by the group.

Other goods and services supplied to the group: £11,522 (2019: £11,891).

At the year end date, the amount due from (2019: due to) the Pension Fund was £12,537 (2019: £15,940).

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 (2019: £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: £3,849 (2019: £1,480).

A service fee of £3,520 (2019: £4,008) has been levied by Burgate Court Management Limited.

At the year end date, the amount due from (2019: due to) Burgate Court Management Limited was £3,251 (2019: £12).

Trade Aid

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

Donations from the group amounted to £146,479 (2019: £196,986).

B. Currie and Mrs. G. Currie

The group provided building services totalling £3,981 (2019: £3,590) to its directors/shareholders.

As detailed in Note 32, 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 the group was £94,476 (2019: £74,895).

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 £769 (2019: £3,807).

Goods and services supplied to the group: £267 (2019: £6,317).

At the year end date, the amount due from Regal Fordingbridge Cinema Club was £1,234 (2019: £45).

Key management personnel

During the year, services provided to the group by close family members of key management personnel: £34,743 (2019: £75,887). In addition, rent received from close family members of key management personnel: £18,000 (2019: £18,000).

At the year end, the amount owed by close family members of key management personnel: £71,966 (2019: £65,955)

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

33. Related party transactions *(continued)*

Company

During the year, total dividends of £4,000 (2019: £Nil) were paid to the shareholders.

During the year, services provided to Larasian Limited by close family members of key management personnel: £19,283 (2019: £19,291). In addition, rent received from close family members of key management personnel: £18,000 (2019: £18,000).

At the year end, the amount due from close family members was £42,263 (2019: £35,883).

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: £23,795 (2019: £15,747).

A commercial annual rent of £12,200 (2019: £12,200) is payable.

Other goods and services supplied to Larasian Limited: £11,522 (2019: £11,891).

At the year end date, the amount due from the Pension Fund was £12,537 (2019: £5,960).

Corintech Limited - 83.33% subsidiary

Goods and services supplied by Larasian Limited: £53,366 (2019: £53,495).

Administrative staff employed by Larasian Limited but charged to Corintech Limited: £220,828 (2019: £179,221).

Building services staff employed by Larasian Limited but charged to Corintech Limited: £29,859 (2019: £12,680).

Goods and services supplied to Larasian Limited: £5,976 (2019: £21,573).

During the year, Larasian received loans of £300,000 (2019: £Nil) from Corintech Limited. These loans are repayable within one year.

At the year end date, the amount due to Corintech Limited was £992,498 (2019: £790,417).

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 (2019: £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 £3,849 (2019: £1,480) have been charged to Burgate Court Management Limited.

A service fee of £3,520 (2019: £4,008) has been levied by Burgate Court Management Limited.

At the year end date, the amount due from (2019: due to) Burgate Court Management Limited was £3,251 (2019: £12).

Trade Aid

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

Donations from Larasian Limited amounted to £23,655 (2019: £40,170).

As at the year end date, the amount due from Trade Aid was £Nil (2019: £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: £309 (2019: £150).

Goods and services supplied to Larasian Limited: £152 (2019: £200).

At the year end date, the amount due from Regal Fordingbridge Cinema Club was £Nil (2019: £45).

B. Currie and Mrs. G. Currie

The company provided building services totalling £3,981 (2019: £3,590) to its directors/shareholders.

As detailed in Note 32, there are Director loan accounts in the company. Interest is charged at 2.5% per

Larasian Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

33. Related party transactions *(continued)*

annum. The loans are payable on demand.

At the year end date, the amount due to Larasian Limited was £81,929 (2019: £75,287).

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.