WILLIAM MURCHLAND & COMPANY LIMITED

ABBREVIATED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 JULY 2002

REGISTERED NUMBER: 30230

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COMPANIES HOUSE 02/04/03

WILLIAM MURCHLAND & COMPANY LIMITED

ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2002

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COMPANY INFORMATION
AT 31 JULY 2002

DIRECTORS

Mr A McCall
Mr A Parker

SECRETARY

Mr A McCall

REGISTERED OFFICE

10/14 Grange Street
Kilmarnock
KA1 2AR

BUSINESS ADDRESS

10/16 Grange Street
Kilmarnock
KA1 2AR

AUDITORS

Smith & Wallace & Co.
Chartered Accountants
1 Simonsburn Road
Kilmarnock
KA1 5LA

SOLICITORS

James Guthrie & Company
3 Portland Road
Kilmarnock
KA1 2AN

PRINCIPAL BANKERS

Bank of Scotland
46 Bank Street
Kilmarnock
KA1 1EX

INDEPENDENT AUDITORS' REPORT TO THE COMPANY PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 July 2002.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with those provisions.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with those provisions.

Smith & Wallace & Co.

Smith & Wallace & Co.
Chartered Accountants
& Registered Auditors
1 Simonsburn Road
Kilmarnock
KA1 5LA

Date: 27/3/03

ABBREVIATED BALANCE SHEET
AT 31 JULY 2002

	Notes	2002 £	2002 £	2001 £	2001 £
FIXED ASSETS	2				
Tangible assets			221,242		211,076
CURRENT ASSETS					
Stocks		71,713		59,110	
Debtors		592,269		570,754	
Cash at bank and in hand		19,719		27,221	
		683,701		657,085	
CREDITORS: amounts falling due within one year	3	(665,930)		(630,008)	
NET CURRENT ASSETS			17,771		27,077
TOTAL ASSETS LESS CURRENT LIABILITIES			239,013		238,153
CREDITORS: amounts falling due after more than one year	4		(38,012)		(56,448)
PROVISIONS FOR LIABILITIES AND CHARGES			(325)		-
NET ASSETS			200,676		181,705
CAPITAL AND RESERVES					
Called up share capital	5		8,000		8,000
Revaluation reserve			4,245		4,245
Other reserves			33		33
Profit and loss account			188,398		169,427
TOTAL SHAREHOLDERS' FUNDS			200,676		181,705

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

The financial statements were approved by the board of directors on 18/3/03
and signed on its behalf by:

Mr A McCall)
) Directors
Mr A Parker)

The notes on pages 4 to 6 form part of these financial statements.

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention modified to include the revaluation of land and buildings and include the results of the company's operations which are described in the Director's Report and all of which are continuing.

Cash flow
The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Turnover
Turnover represents the total value of sales invoiced and contract claims made during the year, stated net of value added tax.

Depreciation of tangible fixed assets
Tangible fixed assets are stated at cost or valuation less depreciation.
Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Freehold land and buildings	2% on cost
Plant and machinery	15% on cost
Equipment, fixtures and tools	15-25% on cost
Motor vehicles	20% on cost

Grants
Revenue grants receivable are credited to the profit and loss account in the year in which the related expenditure is incurred.

Stocks
Stocks and work in progress are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Deferred taxation
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.

Leasing and hire purchase commitments
Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.
Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

1. **STATEMENT OF ACCOUNTING POLICIES - (continued)**

Pension costs
The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

2. **FIXED ASSETS**

	Tangible assets £
Cost/Valuation:	
At 1 August 2001	471,398
Additions	76,002
Disposals	(73,655)
At 31 July 2002	473,745
Depreciation:	
At 1 August 2001	260,322
Charge for year	47,596
On disposals	(55,415)
At 31 July 2002	252,503
Net book value:	
At 31 July 2002	221,242
At 31 July 2001	211,076

3. **CREDITORS:** amounts falling due within one year

	2002 £	2001 £
Secured creditors	144,473	231,652

4. **CREDITORS:** amounts falling due after more than one year

Secured creditors	38,012	56,448

5. SHARE CAPITAL

	2002 £	2001 £
Authorised:		
Equity interests:		
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid:		
Equity interests:		
8,000 Ordinary shares of £1 each	8,000	8,000