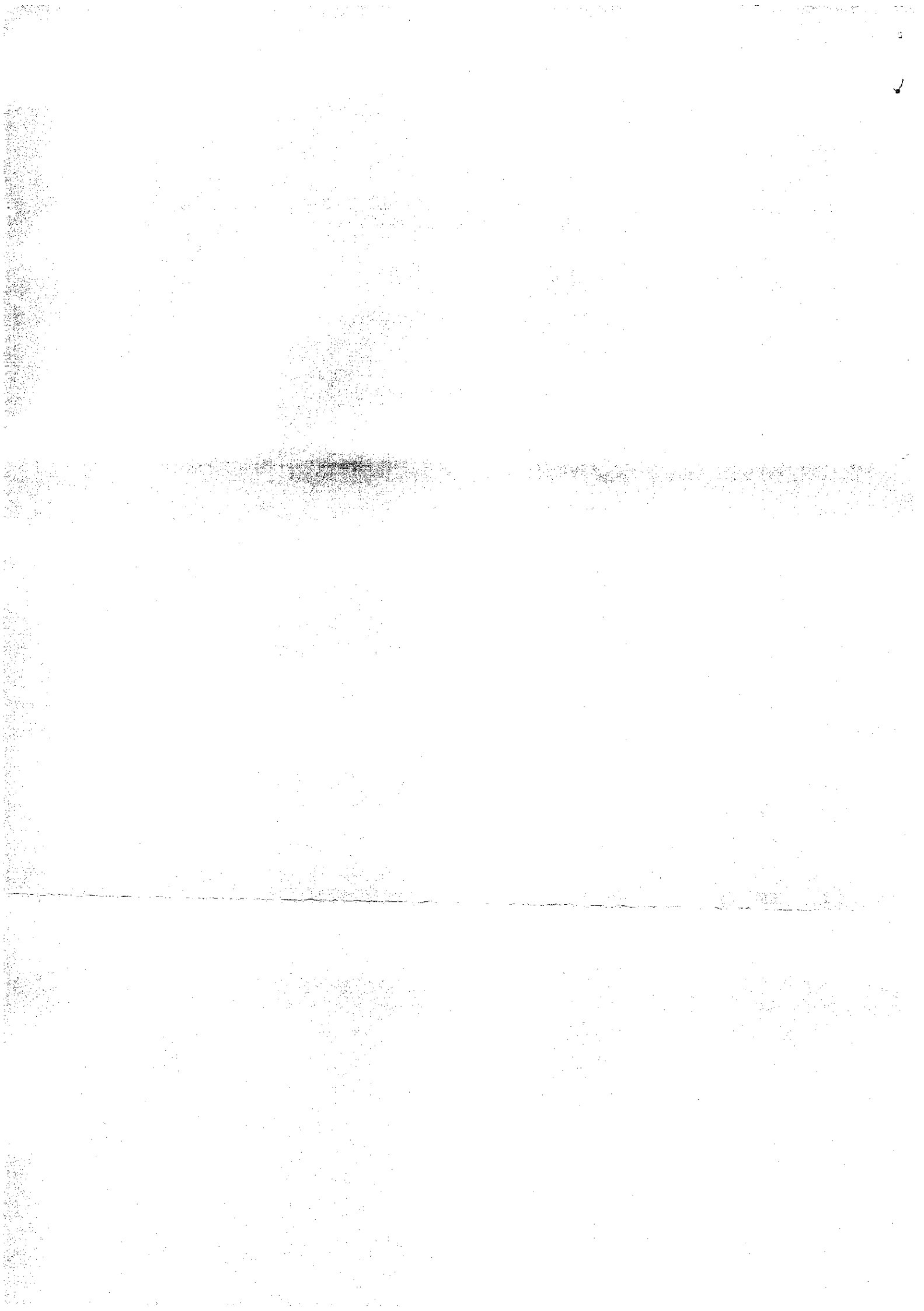


Abbreviated Financial Statements
for the Year Ended 30 November 2002
for
McNair Engineering Limited





McNair Engineering Limited

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for the Year Ended 30 November 2002

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McNair Engineering Limited
Company Information
for the Year Ended 30 November 2002

DIRECTORS: I E McNair
L I McNair
J Henderson

SECRETARY: V A Young

REGISTERED OFFICE: 11/12 Lovat Place
Hillington
Glasgow
G52 4XE

REGISTERED NUMBER: 66401 (Scotland)

AUDITORS: T B Dunn & Co
Registered Auditor
Chartered Accountants
Glasgow

BANKERS: Clydesdale Bank plc
14 Bothwell Street
Glasgow
G2 6QY

McNair Engineering Limited

Report of the Independent Auditors to
McNair Engineering Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages three to five, together with the full financial statements of the company for the year ended 30 November 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

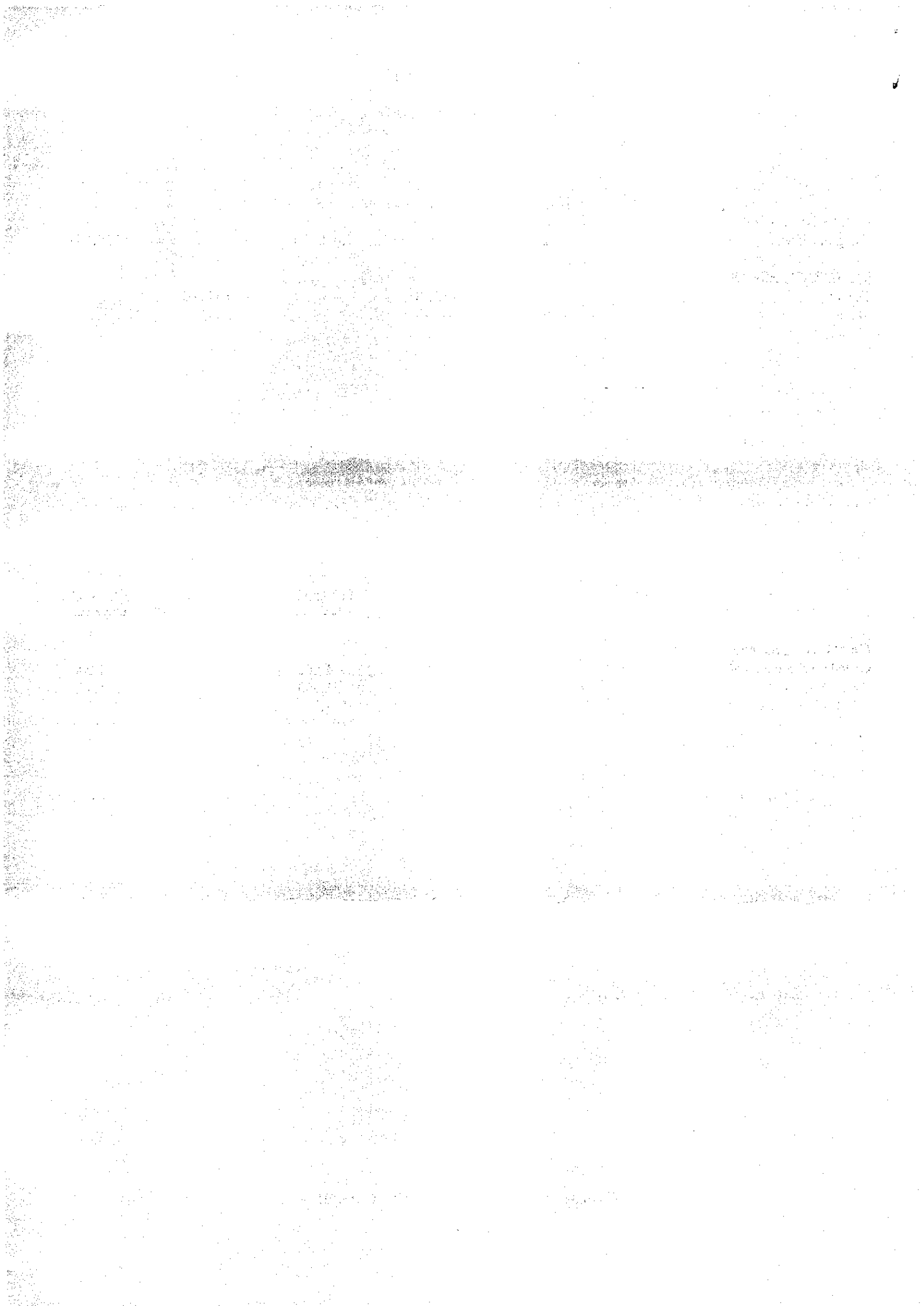
Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to five are properly prepared in accordance with those provisions.

T B Dunn & Co

T B Dunn & Co
Registered Auditor
Chartered Accountants
Glasgow

Dated: 18 July 2003



McNair Engineering Limited

Abbreviated Balance Sheet

30 November 2002

		2002		2001	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		342,380		359,663
CURRENT ASSETS:					
Stocks		130,384		109,201	
Debtors		247,431		300,352	
Cash in hand		285		83	
		378,100		409,636	
CREDITORS: Amounts falling due within one year	3	393,640		336,886	
NET CURRENT (LIABILITIES)/ASSETS:			(15,540)		72,750
TOTAL ASSETS LESS CURRENT LIABILITIES:			326,840		432,413
PROVISIONS FOR LIABILITIES AND CHARGES:			6,310		7,004
			£320,530		£425,409
CAPITAL AND RESERVES:					
Called up share capital	4		1,000		1,000
Revaluation reserve			161,553		161,553
Profit and loss account			157,977		262,856
SHAREHOLDERS' FUNDS:			£320,530		£425,409

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

ON BEHALF OF THE BOARD:



I E McNair - DIRECTOR

Approved by the Board on 17 July 2003

The notes form part of these financial statements

McNair Engineering Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 30 November 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost or valuation
Plant and machinery	- 33.33% on cost and 15% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance

No depreciation is charged on freehold buildings because the directors consider that the economic life of this property and its residual value, excluding inflation, is such that depreciation is not significant. The residual value is regularly reviewed in order to identify any permanent diminution in value which would be charged to the profit and loss account.

Stock and Work in progress

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

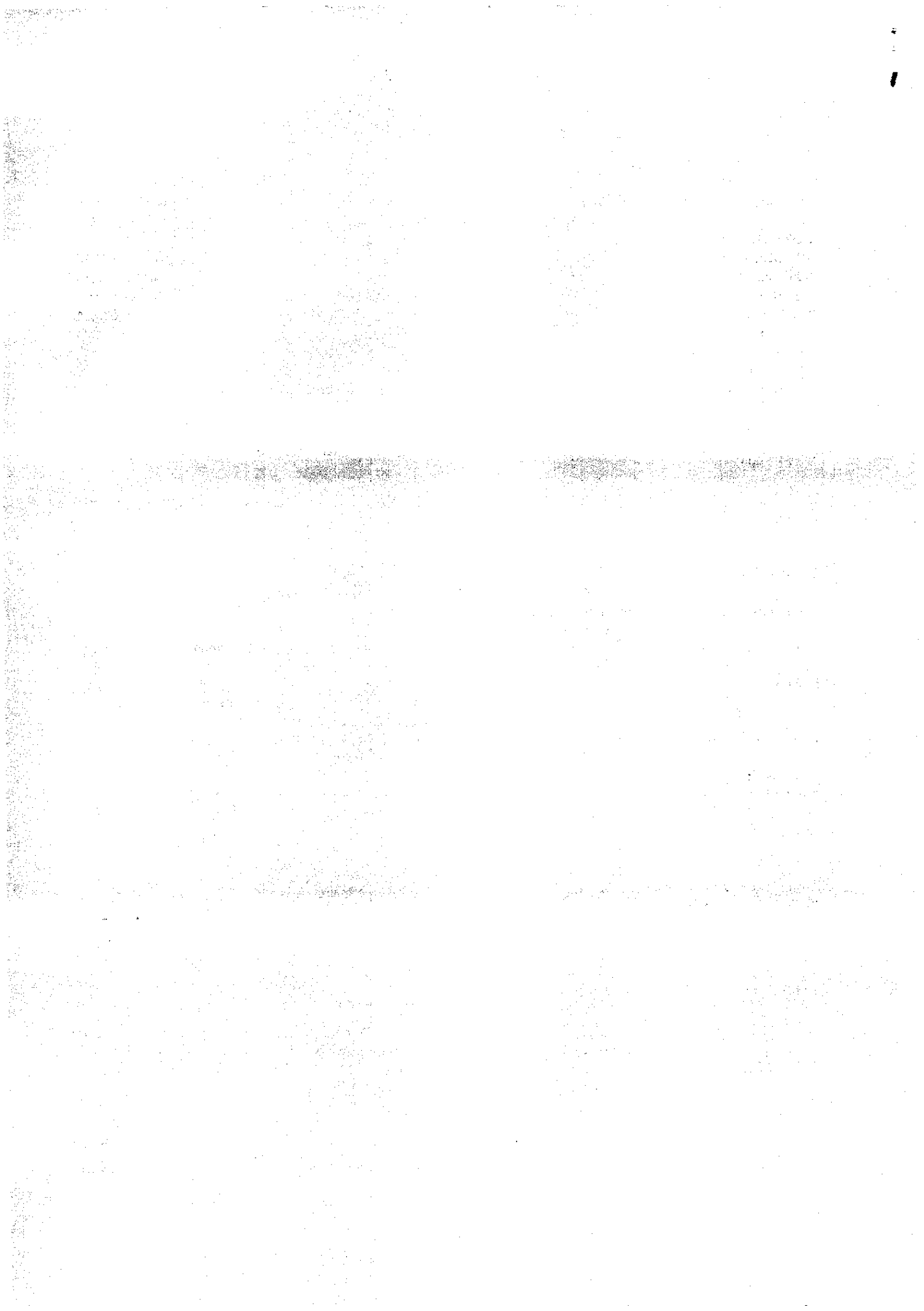
Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.



McNair Engineering Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 30 November 2002

2. TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
COST OR VALUATION:	
At 1 December 2001	879,760
Additions	2,586
At 30 November 2002	882,346
DEPRECIATION:	
At 1 December 2001	520,097
Charge for year	19,869
At 30 November 2002	539,966
NET BOOK VALUE:	
At 30 November 2002	342,380
At 30 November 2001	359,663

3. CREDITORS

The following secured debts are included within creditors:

	2002	2001
	£	£
Bank overdrafts	228,240	150,362

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2002	2001
			£	£
5,000	Ordinary	£1	5,000	5,000
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2002	2001
			£	£
1,000	Ordinary	£1	1,000	1,000

5. PENSIONS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company amounted to £7,500 (2001:£7,500).

