

Company Registration No. 00106442 (England and Wales)

**MURPHY & SON LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

## **MURPHY & SON LIMITED**

### **COMPANY INFORMATION**

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|                          |   |
|--------------------------|---|
| <b>Directors</b>         | J A Carmichael<br>S L Hale<br>B A McCluskie<br>Dr C J Fleming<br>C W R Nicholds   |
| <b>Secretary</b>         | S L Hale  |
| <b>Company number</b>    | 00106442  |
| <b>Registered office</b> | Alpine Street<br>Old Basford<br>Nottingham<br>NG6 0HQ                             |
| <b>Auditor</b>           | UHY Hacker Young<br>14 Park Row<br>Nottingham<br>NG1 6GR                          |
| <b>Bankers</b>           | Barclays Bank PLC<br>Basildon 9<br>Leicester<br>LE87 2BB                          |
| <b>Solicitors</b>        | Nelsons Solicitors<br>Pennine House<br>8 Stanford Street<br>Nottingham<br>NG1 7BQ |

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## **MURPHY & SON LIMITED**

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## **MURPHY & SON LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2020**

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

#### **Fair review of the business**

It has been a good year, we have made satisfying progress with the site refurbishments and upgrades and with steady growth in turnover especially in the USA, we were confident of making further progress until the unpredictable events brought about by the Coronavirus pandemic occurred half way through March. The lockdown caused sales to plummet at the year end and continue at the time of writing (late June) at just c40% of normal, placing us in a loss making period. The uncertainties associated with this event are cause for concern and require a reassessment of all protocols. We have a strong balance sheet with a healthy cash position to help us forward, but to what extent this will support an indeterminate period of losses we can only monitor and react to with very regular reviews.

#### **Principal risks and uncertainties**

Our overriding concern is the negative impact on our industry of the Coronavirus pandemic. Sales have been severely hit by the impact that our customer base is suffering due to the restrictions placed on the hospitality sector and the uncertainties of not knowing when a return to normal trading will resume. Further, as the recovery takes place we anticipate reduced levels of activity, both from those surviving the pandemic and due to the absence of those customers who will not survive it.

#### **Key performance indicators**

Our future performance will be determined by the length and strength of the recovery in the economy, how robust the hospitality sector proves to be and how we manage our resources. We are confident that the Board of Directors has the resilience and experience to meet this challenge and as a consequence we have assessed that the time is not right to propose that a Final Dividend be declared, which would deplete our cash holding at a critical time when managing survival must be considered paramount.

By order of the board

S L Hale

**Secretary**

30 September 2020

## **MURPHY & SON LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their annual report and financial statements for the year ended 31 March 2020.

#### **Principal activities**

The principal activity of the company continued to be that of consulting and manufacturing chemists.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J A Carmichael  
S L Hale  
B A McCluskie  
Dr C J Fleming  
C W R Nicholds

#### **Results and dividends**

The results for the year are set out on page 7.

Ordinary dividends were paid during the year amounting to £160,000.

Preference dividends were paid during the year amounting to £160,000.

#### **Auditor**

UHY Hacker Young were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

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.

**MURPHY & SON LIMITED**

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board

S L Hale  
Secretary

J A Carmichael  
Director

30 September 2020

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF MURPHY & SON LIMITED**

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**Opinion**

We have audited the financial statements of Murphy & Son Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, 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 company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 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 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.

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF MURPHY & SON LIMITED**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 our 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF MURPHY & SON LIMITED**

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**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 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 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: <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 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**James Simmonds (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young**

30 September 2020

**Chartered Accountants**  
**Statutory Auditor**

**MURPHY & SON LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

|  |              | <b>2020</b>      | <b>2019</b>      |
|--|--------------|------------------|------------------|
|  | <b>Notes</b> | <b>£</b>         | <b>£</b>         |
| <b>Turnover</b>                        | <b>3</b>     | 10,826,608       | 10,383,463       |
| Cost of sales                          |              | (7,029,714)      | (6,458,170)      |
| <b>Gross profit</b>                    |              | <b>3,796,894</b> | <b>3,925,293</b> |
| Distribution costs                     |              | (1,061,977)      | (918,792)        |
| Administrative expenses                |              | (2,013,244)      | (2,387,604)      |
| Other operating income                 |              | 28,781           | 29,985           |
| <b>Operating profit</b>                | <b>4</b>     | <b>750,454</b>   | <b>648,882</b>   |
| Interest receivable and similar income | <b>7</b>     | 6,565            | 4,713            |
| <b>Profit before taxation</b>          |              | <b>757,019</b>   | <b>653,595</b>   |
| Tax on profit                          | <b>8</b>     | (151,810)        | (88,597)         |
| <b>Profit for the financial year</b>   |              | <b>605,209</b>   | <b>564,998</b>   |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**MURPHY & SON LIMITED**

**BALANCE SHEET**

**AS AT 31 MARCH 2020**

|   |              | <b>2020</b>        |                         | <b>2019</b>        |                         |
|---|--------------|--------------------|-------------------------|--------------------|-------------------------|
|   | <b>Notes</b> | <b>£</b>           | <b>£</b>                | <b>£</b>           | <b>£</b>                |
| <b>Fixed assets</b>                                   |              |                    |                         |                    |                         |
| Tangible assets                                       | <b>11</b>    | 4,246,709          |                         | 3,668,333          |                         |
| Investment properties                                 | <b>12</b>    | 740,000            |                         | 1,130,223          |                         |
| Investments   | <b>13</b>    | 200                |                         | 200                |                         |
|   |              | <u>4,986,909</u>   |                         | <u>4,798,756</u>   |                         |
| <b>Current assets</b>                                 |              |                    |                         |                    |                         |
| Stocks  | <b>15</b>    | 1,666,777          |                         | 2,177,758          |                         |
| Debtors   | <b>16</b>    | 1,934,048          |                         | 2,237,001          |                         |
| Cash at bank and in hand                              |              | 1,158,179          |                         | 610,395            |                         |
|   |              | <u>4,759,004</u>   |                         | <u>5,025,154</u>   |                         |
| <b>Creditors: amounts falling due within one year</b> | <b>17</b>    | <u>(1,528,031)</u> |                         | <u>(1,965,411)</u> |                         |
| <b>Net current assets</b>                             |              |                    | <u>3,230,973</u>        |                    | <u>3,059,743</u>        |
| <b>Total assets less current liabilities</b>          |              |                    | <u>8,217,882</u>        |                    | <u>7,858,499</u>        |
| <b>Provisions for liabilities</b>                     |              |                    |                         |                    |                         |
| Deferred tax liability                                | <b>18</b>    | 319,504            |                         | 245,330            |                         |
|   |              | <u>(319,504)</u>   |                         | <u>(245,330)</u>   |                         |
| <b>Net assets</b>                                     |              |                    | <u><u>7,898,378</u></u> |                    | <u><u>7,613,169</u></u> |
| <b>Capital and reserves</b>                           |              |                    |                         |                    |                         |
| Called up share capital                               | <b>20</b>    | 40,000             |                         | 40,000             |                         |
| Revaluation reserve                                   |              | 146,216            |                         | -                  |                         |
| Non-distributable profits reserve                     | <b>21</b>    | 288,187            |                         | 437,387            |                         |
| Distributable profit and loss reserves                |              | 7,423,975          |                         | 7,135,782          |                         |
| <b>Total equity</b>                                   |              |                    | <u><u>7,898,378</u></u> |                    | <u><u>7,613,169</u></u> |

**MURPHY & SON LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2020**

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The financial statements were approved by the board of directors and authorised for issue on 30 September 2020 and are signed on its behalf by:

J A Carmichael  
**Director**

S L Hale  
**Director**

**Company Registration No. 00106442**

**MURPHY & SON LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

|  |       | Share capital | Revaluation reserve | Non-distributable profits | Profit and loss reserves | Total     |
|--|-------|---------------|---------------------|---------------------------|--------------------------|-----------|
|  | Notes | £             | £                   | £                         | £                        | £         |
| <b>Balance at 1 April 2018</b>                     |       | 40,000        | -                   | 419,920                   | 6,883,251                | 7,343,171 |
| <b>Year ended 31 March 2019:</b>                   |       |               |                     |                           |                          |           |
| Profit and total comprehensive income for the year |       | -             | -                   | 17,467                    | 547,531                  | 564,998   |
| Dividends  | 9     | -             | -                   | -                         | (295,000)                | (295,000) |
| <b>Balance at 31 March 2019</b>                    |       | 40,000        | -                   | 437,387                   | 7,135,782                | 7,613,169 |
| <b>Year ended 31 March 2020:</b>                   |       |               |                     |                           |                          |           |
| Profit and total comprehensive income for the year |       | -             | -                   | -                         | 605,209                  | 605,209   |
| Dividends  | 9     | -             | -                   | -                         | (320,000)                | (320,000) |
| Transfers (investment property)                    |       | -             | 149,200             | (149,200)                 | -                        | -         |
| Transfers (depreciation)                           |       | -             | (2,984)             | -                         | 2,984                    | -         |
| <b>Balance at 31 March 2020</b>                    |       | 40,000        | 146,216             | 288,187                   | 7,423,975                | 7,898,378 |

**MURPHY & SON LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 MARCH 2020**

|   |       | 2020                    | 2019                  |
|---|-------|-------------------------|-----------------------|
|   | Notes | £                       | £                     |
| <b>Cash flows from operating activities</b>                 |       |                         |                       |
| Cash generated from operations                              | 26    | 1,470,255               | 453,920               |
| Income taxes paid   |       | (53,806)                | (52,672)              |
| <b>Net cash inflow from operating activities</b>            |       | <u>1,416,449</u>        | <u>401,248</u>        |
| <b>Investing activities</b>                                 |       |                         |                       |
| Purchase of tangible fixed assets                           |       | (571,797)               | (543,936)             |
| Proceeds on disposal of tangible fixed assets               |       | 16,567                  | -                     |
| Interest received   |       | 6,565                   | 4,713                 |
| <b>Net cash used in investing activities</b>                |       | <u>(548,665)</u>        | <u>(539,223)</u>      |
| <b>Financing activities</b>                                 |       |                         |                       |
| Dividends paid  |       | (320,000)               | (295,000)             |
| <b>Net cash used in financing activities</b>                |       | <u>(320,000)</u>        | <u>(295,000)</u>      |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       | <u>547,784</u>          | <u>(432,975)</u>      |
| Cash and cash equivalents at beginning of year              |       | <u>610,395</u>          | <u>1,043,370</u>      |
| <b>Cash and cash equivalents at end of year</b>             |       | <u><u>1,158,179</u></u> | <u><u>610,395</u></u> |

## **MURPHY & SON LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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#### **1 Accounting policies**

##### **Company information**

Murphy & Son Limited is a private company limited by shares incorporated in England and Wales. The registered office is Alpine Street, Old Basford, Nottingham, NG6 0HQ.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue for the provision of professional services is recognised by reference to when the services were provided.

##### **1.4 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and has been fully amortised.

##### **1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

## MURPHY & SON LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

#### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                             |                         |
|-----------------------------|-------------------------|
| Freehold land and buildings | 10% to 2% on cost       |
| Plant and equipment         | 20% and 10% on cost     |
| Fixtures and fittings       | 20% and 10% on cost     |
| Laboratory apparatus        | 20% and 10% on cost     |
| Motor vehicles              | 25% on reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Assets in the course of construction are not depreciated.

#### 1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

#### 1.7 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.



## MURPHY & SON LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

##### 1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.11 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

###### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

###### *Other financial assets*

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

## MURPHY & SON LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price.

##### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

## MURPHY & SON LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### 1.12 Equity instruments

Share capital issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on shares are recognised as liabilities once they are no longer at the discretion of the company.

##### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

##### 1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

## MURPHY & SON LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2020

## 1 Accounting policies

(Continued)

### 1.16 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

## 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## 3 Turnover and other revenue

|   | 2020              | 2019              |
|---|-------------------|-------------------|
|   | £                 | £                 |
| <b>Turnover analysed by geographical market</b> |                   |                   |
| UK  | 8,913,518         | 8,900,111         |
| Rest of World                                   | 1,913,090         | 1,483,352         |
|   | <u>10,826,608</u> | <u>10,383,463</u> |
|   | <b>2020</b>       | <b>2019</b>       |
|   | £                 | £                 |
| <b>Other significant revenue</b>                |                   |                   |
| Interest income                                 | <u>6,565</u>      | <u>4,713</u>      |

**MURPHY & SON LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****4 Operating profit**

|  | <b>2020</b>  | <b>2019</b>  |
|--|--------------|--------------|
|  | <b>£</b>     | <b>£</b>     |
| Operating profit for the year is stated after charging/(crediting):  |              |              |
| Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss | (14,635)     | 23,629       |
| Fees payable to the company's auditor for the audit of the company's financial statements                            | 19,950       | 31,450       |
| Depreciation of owned tangible fixed assets  | 364,764      | 330,436      |
| Loss on disposal of tangible fixed assets  | 2,313        | -            |
|  | <b>=====</b> | <b>=====</b> |

**5 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

|                                     | <b>2020</b>   | <b>2019</b>   |
|-------------------------------------|---------------|---------------|
|                                     | <b>Number</b> | <b>Number</b> |
| Directors                           | 5             | 5             |
| Production, distribution and office | 62            | 59            |
|                                     | <b>=====</b>  | <b>=====</b>  |
| Total                               | 67            | 64            |
|                                     | <b>=====</b>  | <b>=====</b>  |

Their aggregate remuneration comprised:

|                    | <b>2020</b>  | <b>2019</b>  |
|--------------------|--------------|--------------|
|                    | <b>£</b>     | <b>£</b>     |
| Wages and salaries | 2,588,937    | 2,490,654    |
| Pension costs      | 105,712      | 175,828      |
|                    | <b>=====</b> | <b>=====</b> |
|                    | 2,694,649    | 2,666,482    |
|                    | <b>=====</b> | <b>=====</b> |

**6 Directors' remuneration**

|   | <b>2020</b>  | <b>2019</b>  |
|---|--------------|--------------|
|   | <b>£</b>     | <b>£</b>     |
| Remuneration for qualifying services                          | 476,345      | 394,790      |
| Company pension contributions to defined contribution schemes | 30,459       | 50,226       |
|   | <b>=====</b> | <b>=====</b> |
|   | 506,804      | 445,016      |
|   | <b>=====</b> | <b>=====</b> |

**MURPHY & SON LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****6 Directors' remuneration****(Continued)**

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

|                                      | <b>2020</b> | <b>2019</b> |
|--------------------------------------|-------------|-------------|
|                                      | <b>£</b>    | <b>£</b>    |
| Remuneration for qualifying services | 143,694     | 183,069     |

**7 Interest receivable and similar income**

|                           | <b>2020</b> | <b>2019</b> |
|---------------------------|-------------|-------------|
|                           | <b>£</b>    | <b>£</b>    |
| <b>Interest income</b>    |             |             |
| Interest on bank deposits | 3,121       | 4,713       |
| Other interest income     | 3,444       | -           |
| Total income              | 6,565       | 4,713       |

Investment income includes the following:

|  |       |       |
|--|-------|-------|
| Interest on financial assets not measured at fair value through profit or loss | 3,121 | 4,713 |
|--|-------|-------|

**8 Taxation**

|  | <b>2020</b> | <b>2019</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| <b>Current tax</b>                                   |             |             |
| UK corporation tax on profits for the current period | 77,636      | 55,176      |
| Adjustments in respect of prior periods              | -           | (362)       |
| Total current tax                                    | 77,636      | 54,814      |
| <b>Deferred tax</b>                                  |             |             |
| Origination and reversal of timing differences       | 74,174      | 33,783      |
| Total tax charge                                     | 151,810     | 88,597      |

**MURPHY & SON LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2020**

**8 Taxation**

**(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

|  | <b>2020</b> | <b>2019</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Profit before taxation   | 757,019     | 653,595     |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%) | 143,834     | 124,183     |
| Tax effect of expenses that are not deductible in determining taxable profit                         | 1,558       | 1,553       |
| Adjustments in respect of prior years  | -           | (362)       |
| Permanent capital allowances in excess of depreciation   | 20,859      | 21,720      |
| Research and development tax credit  | (40,755)    | (35,000)    |
| Deferred tax adjustments in respect of prior years   | (2,280)     | (17,467)    |
| Change in rates of deferred tax  | 28,594      | (6,030)     |
| Taxation charge for the year   | 151,810     | 88,597      |

**9 Dividends**

|            | <b>2020</b> | <b>2019</b> |
|------------|-------------|-------------|
|            | <b>£</b>    | <b>£</b>    |
| Final paid | 320,000     | 295,000     |

**10 Intangible fixed assets**

|                                    | <b>Goodwill</b> |
|------------------------------------|-----------------|
|                                    | <b>£</b>        |
| <b>Cost</b>                        |                 |
| At 1 April 2019 and 31 March 2020  | 1,670,969       |
| <b>Amortisation and impairment</b> |                 |
| At 1 April 2019 and 31 March 2020  | 1,670,969       |
| <b>Carrying amount</b>             |                 |
| At 31 March 2020                   | -               |
| At 31 March 2019                   | -               |

**MURPHY & SON LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2020**

**11 Tangible fixed assets**

|  | Freehold land and<br>buildings | Plant and<br>equipment | Fixtures and<br>fittings | Laboratory<br>apparatus | Motor vehicles | Total     |
|--|--------------------------------|------------------------|--------------------------|-------------------------|----------------|-----------|
|  | £                              | £                      | £                        | £                       | £              | £         |
| <b>Cost</b>                            |                                |                        |                          |                         |                |           |
| At 1 April 2019                        | 3,658,980                      | 2,464,819              | 420,394                  | 448,496                 | 557,042        | 7,549,731 |
| Additions                              | 90,335                         | 371,374                | 72,664                   | 2,060                   | 35,364         | 571,797   |
| Disposals                              | -                              | (20,200)               | -                        | -                       | (109,527)      | (129,727) |
| Transfers                              | 22,531                         | (2,940)                | (19,591)                 | -                       | -              | -         |
| Transfer from investment<br>property   | 390,223                        | -                      | -                        | -                       | -              | 390,223   |
| At 31 March 2020                       | 4,162,069                      | 2,813,053              | 473,467                  | 450,556                 | 482,879        | 8,382,024 |
| <b>Depreciation and<br/>impairment</b> |                                |                        |                          |                         |                |           |
| At 1 April 2019                        | 1,305,228                      | 1,667,337              | 274,943                  | 309,039                 | 324,851        | 3,881,398 |
| Depreciation charged in the<br>year    | 95,508                         | 160,221                | 53,546                   | 4,867                   | 50,622         | 364,764   |
| Eliminated in respect of<br>disposals  | -                              | (16,782)               | -                        | -                       | (94,065)       | (110,847) |
| Transfers                              | 18,177                         | (18,177)               | -                        | -                       | -              | -         |
| At 31 March 2020                       | 1,418,913                      | 1,792,599              | 328,489                  | 313,906                 | 281,408        | 4,135,315 |
| <b>Carrying amount</b>                 |                                |                        |                          |                         |                |           |
| At 31 March 2020                       | 2,743,156                      | 1,020,454              | 144,978                  | 136,650                 | 201,471        | 4,246,709 |
| At 31 March 2019                       | 2,353,752                      | 797,482                | 145,451                  | 139,457                 | 232,191        | 3,668,333 |

**12 Investment property**

|                                    | 2020<br>£ |
|------------------------------------|-----------|
| <b>Fair value</b>                  |           |
| At 1 April 2019                    | 1,130,223 |
| Transfers to tangible fixed assets | (390,223) |
| At 31 March 2020                   | 740,000   |



**MURPHY & SON LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****12 Investment property****(Continued)**

Investment property comprises four properties based in the Nottingham area and one property based in the Wheathampstead area.

The fair value of the investment properties have been arrived at on the basis of a valuation carried out in June 2017 by FHP Property Consultants and the Directors in respect of properties based in the Nottingham area and a valuation carried out in April 2017 by Cassidy & Tate in respect of the property in the Wheathampstead area, both Chartered Surveyors are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

**13 Fixed asset investments**

|                             | <b>Notes</b> | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|-----------------------------|--------------|-------------------|-------------------|
| Investments in subsidiaries | <b>14</b>    | 200               | 200               |

**Movements in fixed asset investments**

|                                 | <b>Shares in<br/>group<br/>undertakings<br/>£</b> |
|---------------------------------|---|
| <b>Cost or valuation</b>        |   |
| At 1 April 2019 & 31 March 2020 | 200   |
| <b>Carrying amount</b>          |   |
| At 31 March 2020                | 200   |
| At 31 March 2019                | 200   |

**14 Subsidiaries**

Details of the company's subsidiaries at 31 March 2020 are as follows:

**Micro-Audit Limited**

Registered office: Alpine Street, Nottingham, Nottinghamshire, NG6 0HQ

Nature of business: Non-trading

Class of shares: Ordinary

Direct share holding (%): 100.00

**MURPHY & SON LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2020**

**15 Stocks**

|                               | <b>2020</b>       | <b>2019</b>       |
|-------------------------------|-------------------|-------------------|
|                               | <b>£</b>          | <b>£</b>          |
| Raw materials and consumables | 1,666,777         | 2,177,758         |
|                               | <u>          </u> | <u>          </u> |

**16 Debtors**

|   | <b>2020</b>       | <b>2019</b>       |
|---|-------------------|-------------------|
|   | <b>£</b>          | <b>£</b>          |
| <b>Amounts falling due within one year:</b> |                   |                   |
| Trade debtors                               | 1,366,639         | 1,716,285         |
| Amounts owed by group undertakings          | 353,222           | 266,892           |
| Other debtors                               | 6,085             | 6,083             |
| Prepayments and accrued income              | 172,943           | 205,975           |
|   | <u>          </u> | <u>          </u> |
|   | <b>1,898,889</b>  | <b>2,195,235</b>  |
|   | <u>          </u> | <u>          </u> |

|  | <b>2020</b>       | <b>2019</b>       |
|--|-------------------|-------------------|
|  | <b>£</b>          | <b>£</b>          |
| <b>Amounts falling due after more than one year:</b> |                   |                   |
| Other debtors  | 35,159            | 41,766            |
|  | <u>          </u> | <u>          </u> |
| <b>Total debtors</b>                                 | <b>1,934,048</b>  | <b>2,237,001</b>  |
|  | <u>          </u> | <u>          </u> |

**17 Creditors: amounts falling due within one year**

|                                    | <b>2020</b>       | <b>2019</b>       |
|------------------------------------|-------------------|-------------------|
|                                    | <b>£</b>          | <b>£</b>          |
| Trade creditors                    | 956,094           | 1,469,889         |
| Corporation tax                    | 79,006            | 55,176            |
| Other taxation and social security | 133,161           | 104,998           |
| Other creditors                    | 24,211            | 7,736             |
| Accruals and deferred income       | 335,559           | 327,612           |
|                                    | <u>          </u> | <u>          </u> |
|                                    | <b>1,528,031</b>  | <b>1,965,411</b>  |
|                                    | <u>          </u> | <u>          </u> |

**MURPHY & SON LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****18 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

|   | <b>Liabilities<br/>2020<br/>£</b> | <b>Liabilities<br/>2019<br/>£</b> |
|---|-----------------------------------|-----------------------------------|
| <b>Balances:</b>                              |                                   |                                   |
| Accelerated capital allowances                | 265,790                           | 197,270                           |
| Revaluations                                  | 53,714                            | 48,060                            |
|   | <u>319,504</u>                    | <u>245,330</u>                    |
| <b>Movements in the year:</b>                 |                                   | <b>2020<br/>£</b>                 |
| Liability at 1 April 2019                     |                                   | 245,330                           |
| Charge to profit or loss                      |                                   | 45,580                            |
| Effect of change in tax rate - profit or loss |                                   | 28,594                            |
| Liability at 31 March 2020                    |                                   | <u>319,504</u>                    |

**19 Retirement benefit schemes**

|   | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|---|-------------------|-------------------|
| <b>Defined contribution schemes</b>                                 |                   |                   |
| Charge to profit or loss in respect of defined contribution schemes | 105,712           | 175,828           |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

**20 Share capital**

|                                   | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|-----------------------------------|-------------------|-------------------|
| <b>Ordinary share capital</b>     |                   |                   |
| <b>Issued and fully paid</b>      |                   |                   |
| 20,000 Ordinary shares of £1 each | 20,000            | 20,000            |

**MURPHY & SON LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020**

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|           |   |                    |                   |
|-----------|---|--------------------|-------------------|
| <b>20</b> | <b>Share capital</b>  | <b>(Continued)</b> |                   |
|           |   | <b>2020</b>        | <b>2019</b>       |
|           |   | <b>£</b>           | <b>£</b>          |
|           | <b>Preference share capital</b>   |                    |                   |
|           | <b>Issued and fully paid</b>  |                    |                   |
|           | 20,000 Preference shares of £1 each   | 20,000             | 20,000            |
|           |   | <u>          </u>  | <u>          </u> |
|           | Preference shares classified as equity  | 20,000             | 20,000            |
|           |   | <u>          </u>  | <u>          </u> |
|           | <b>Total equity share capital</b>   | 40,000             | 40,000            |
|           |   | <u>          </u>  | <u>          </u> |
| <b>21</b> | <b>Non-distributable profits reserve</b>  |                    |                   |
|           |   | <b>2020</b>        | <b>2019</b>       |
|           |   | <b>£</b>           | <b>£</b>          |
|           | At the beginning of the year  | 437,387            | 419,920           |
|           | Non distributable profits in the year   | -                  | 17,467            |
|           | Transfer of non-distributable profits to revaluation reserve                            | (149,200)          | -                 |
|           |   | <u>          </u>  | <u>          </u> |
|           | At the end of the year  | 288,187            | 437,387           |
|           |   | <u>          </u>  | <u>          </u> |
|           | The non-distributable profits reserve relates to revaluations of investment properties. |                    |                   |
| <b>22</b> | <b>Capital commitments</b>  |                    |                   |
|           | Amounts contracted for but not provided in the financial statements:                    |                    |                   |
|           |   | <b>2020</b>        | <b>2019</b>       |
|           |   | <b>£</b>           | <b>£</b>          |
|           | Acquisition of tangible fixed assets  | 157,097            | 86,510            |
|           |   | <u>          </u>  | <u>          </u> |

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**MURPHY & SON LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****23 Related party transactions****Remuneration of key management personnel**

The remuneration of key management personnel is as follows:

|                        | 2020<br>£ | 2019<br>£ |
|------------------------|-----------|-----------|
| Aggregate compensation | 422,311   | 445,016   |

**24 Directors' transactions**

Dividends totalling £600 (2019 - £553) were paid in the year in respect of shares held by the company's directors.

**25 Ultimate controlling party**

In the opinion of the Board of Directors, the ultimate controlling party are The Trustees of A J Murphy Deceased, of which the trustees, Mr J A Carmichael, Mr S L Hale, Mr B A McCluskie, Dr C J Fleming, and Mr C W R Nicholds are also directors of Murphy & Son Limited.

**26 Cash generated from operations**

|  | 2020<br>£        | 2019<br>£      |
|--|------------------|----------------|
| Profit for the year after tax                        | 605,209          | 564,998        |
| <b>Adjustments for:</b>                              |                  |                |
| Taxation charged                                     | 151,810          | 88,597         |
| Investment income                                    | (6,565)          | (4,713)        |
| Loss on disposal of tangible fixed assets            | 2,313            | -              |
| Depreciation and impairment of tangible fixed assets | 364,764          | 330,436        |
| <b>Movements in working capital:</b>                 |                  |                |
| Decrease/(increase) in stocks                        | 510,981          | (932,573)      |
| Decrease/(increase) in debtors                       | 302,953          | (639,972)      |
| (Decrease)/increase in creditors                     | (461,210)        | 1,047,147      |
| <b>Cash generated from operations</b>                | <b>1,470,255</b> | <b>453,920</b> |

**MURPHY & SON LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2020**

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**27 Analysis of changes in net funds**

|                          | <b>1 April 2019</b> | <b>Cash flows</b> | <b>31 March 2020</b> |
|--------------------------|---------------------|-------------------|----------------------|
|                          | <b>£</b>            | <b>£</b>          | <b>£</b>             |
| Cash at bank and in hand | 610,395             | 547,784           | 1,158,179            |
|                          | <u>          </u>   | <u>          </u> | <u>          </u>    |

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.