

Abbreviated Accounts for the Year Ended 31 August 2003

for

Machan Engineering Limited



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for the Year Ended 31 August 2003

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Machan Engineering Limited

Company Information
for the Year Ended 31 August 2003

DIRECTORS:

M McMullen
L M McDonald

SECRETARY:

L M McDonald

REGISTERED OFFICE:

103 Broad Street
Denny
Stirlingshire
FK6 6DX

REGISTERED NUMBER:

83928 (Scotland)

AUDITORS:

Peter Deans CA
Chartered Accountant Registered Auditor
42 Stirling Street
Denny
Stirlingshire
FK6 6DJ

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

We have examined the abbreviated accounts on pages three to five, together with the full financial statements of the company for the year ended 31 August 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of 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 whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts 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 accounts and that the abbreviated accounts 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 accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages three to five are properly prepared in accordance with those provisions.



Peter Deans CA
Chartered Accountant Registered Auditor
42 Stirling Street
Denny
Stirlingshire
FK6 6DJ

16 April 2004

Machan Engineering Limited

Abbreviated Balance Sheet
31 August 2003

		31.8.03		31.8.02	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		253,740		153,140
Investments	3		25,000		25,000
			<u>278,740</u>		<u>178,140</u>
CURRENT ASSETS:					
Stocks		129,734		134,111	
Debtors		141,768		152,085	
Cash at bank and in hand		35,587		961	
		<u>307,089</u>		<u>287,157</u>	
CREDITORS: Amounts falling due within one year	4	<u>323,369</u>		<u>304,319</u>	
NET CURRENT LIABILITIES:			<u>(16,280)</u>		<u>(17,162)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			262,460		160,978
CREDITORS: Amounts falling due after more than one year	4		<u>13,455</u>		<u>26,893</u>
			<u>£249,005</u>		<u>£134,085</u>
CAPITAL AND RESERVES:					
Called up share capital	5		10,000		10,000
Revaluation reserve			190,924		79,124
Capital redemption reserve			7,846		7,846
Profit and loss account			<u>40,235</u>		<u>37,115</u>
SHAREHOLDERS' FUNDS:			<u>£249,005</u>		<u>£134,085</u>

These abbreviated accounts 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:



M McMullen - Director



L M McDonald - Director

Approved by the Board on 16 April 2004

The notes form part of these abbreviated accounts

Notes to the Abbreviated Accounts
for the Year Ended 31 August 2003

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	- 20% on cost and 2% on cost
Plant and machinery etc	- 25% on reducing balance and 10% on cost

Stocks

Stock 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.

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. Contributions payable for the year are charged in the profit and loss account.

Revaluation Reserve

Surpluses arising on the revaluation of individual tangible fixed assets are credited to a revaluation reserve. On the disposal of any such revalued asset the corresponding surplus or deficit is transferred to the profit & loss account.

2. **TANGIBLE FIXED ASSETS**

	Total
	£
COST OR VALUATION:	
At 1 September 2002	418,325
Additions	12,498
Surplus on revaluation	95,000
	<hr/>
At 31 August 2003	525,823
	<hr/>
DEPRECIATION:	
At 1 September 2002	265,185
Charge for year	23,698
Revaluation adjustment	(16,800)
	<hr/>
At 31 August 2003	272,083
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NET BOOK VALUE:	
At 31 August 2003	253,740
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At 31 August 2002	153,140
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The buildings were revalued on 24 December 2003 by D M Hall, Chartered Surveyors at £200,000. The historical cost of the buildings was £46,989.

Included in the above are assets held under hire purchase contracts. The cost of these assets amounts to £36,425 (2002:£36,425). The accumulated depreciation and depreciation charged for the year on these assets amounts to £18,917 (2002:£13,081) and £5,836 (2002:£9,109).

Notes to the Abbreviated Accounts
for the Year Ended 31 August 2003

3. **FIXED ASSET INVESTMENTS**

	£
COST:	
At 1 September 2002	
and 31 August 2003	<u>25,000</u>
NET BOOK VALUE:	
At 31 August 2003	<u><u>25,000</u></u>
At 31 August 2002	<u><u>25,000</u></u>

4. **CREDITORS**

The following secured debts are included within creditors:

	31.8.03	31.8.02
	£	£
Bank overdrafts	19,863	25,919
Bank loans	14,227	20,342
	<u>34,090</u>	<u>46,261</u>

5. **CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	31.8.03	31.8.02
			£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>
Alotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.8.03	31.8.02
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>