

REGISTRAR OF COMPANIES

A & J Murchie Limited

Registration number SC295564

Unaudited Abbreviated Accounts

31 March 2008

dodd&co



The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 8) have been prepared

**Chartered Accountants' Report to the Directors on the Unaudited Financial
Statements of
A & J Murchie Limited**

In accordance with the engagement letter dated 9 March 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet, and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 March 2008 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Dodd & Co
Chartered Accountants
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

14 August 2008

A & J Murchie Limited
Abbreviated Balance Sheet as at 31 March 2008

		31 March 2008		31 March 2007	
	Note	£	£	£	£
Fixed assets					
Intangible assets	2		107,517		131,780
Tangible assets	2		221,099		189,506
Investments	2		21,900		9,292
			<u>350,516</u>		<u>330,578</u>
Current assets					
Stocks		254,230		215,780	
Debtors		<u>366,109</u>		<u>74,641</u>	
		620,339		290,421	
Creditors: Amounts falling due within one year	3	<u>(416,979)</u>		<u>(262,766)</u>	
Net current assets			<u>203,360</u>		<u>27,655</u>
Total assets less current liabilities			553,876		358,233
Creditors: Amounts falling due after more than one year			(479,446)		(331,554)
Provisions for liabilities			<u>(16,383)</u>		<u>(6,821)</u>
Net assets			<u>58,047</u>		<u>19,858</u>
Capital and reserves					
Called up share capital	4		200		2
Profit and loss reserve			<u>57,847</u>		<u>19,856</u>
Shareholders' funds			<u>58,047</u>		<u>19,858</u>

The notes on pages 4 to 8 form an integral part of these financial statements

A & J Murchie Limited

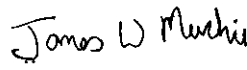
Abbreviated Balance Sheet as at 31 March 2008 (continued)

For the financial year ended 31 March 2008, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985, and no notice has been deposited under section 249B(2) requesting an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the Companies Act 1985, so far as applicable to the company.

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

Approved by the Board on 14 August 2008 and signed on its behalf by

X 
A J Murchie
Director

X 
J W Murchie
Director

The notes on pages 4 to 8 form an integral part of these financial statements

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Going concern

These financial statements have been prepared on a going concern basis

Turnover

Turnover represents the invoiced value of sales of goods, net of value added tax except in respect of service contracts where turnover is recognised when the company obtains the right to consideration

Single farm payment

The amount paid in connection with the purchase of the single farm payment entitlement is being amortised over the useful economic life of that entitlement, which ends in 2012. In addition, an annual impairment review is being performed

Milk Quota

Purchased milk quota is being amortised on a straight line basis over its useful economic life, which is expected to end on 31 March 2015. In addition, an annual impairment review is being performed

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Plant and machinery	15% reducing balance basis
Motor vehicles	25% reducing balance basis
Computer equipment	3 years straight line basis

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

Government grants

Government grants such as the single farm payment are included in the profit and loss account when all the necessary conditions for receipt have been met

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

continued

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account

Hire purchase and finance lease contracts

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

continued

2 Fixed assets

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
As at 1 April 2007	161,855	218,849	9,292	389,996
Additions		84,418	12,608	97,026
Disposals		(25,255)		(25,255)
As at 31 March 2008	<u>161,855</u>	<u>278,012</u>	<u>21,900</u>	<u>461,767</u>
Depreciation				
As at 1 April 2007	30,075	29,343		59,418
Eliminated on disposal		(3,788)		(3,788)
Charge for the year	24,263	31,358		55,621
As at 31 March 2008	<u>54,338</u>	<u>56,913</u>		<u>111,251</u>
Net book value				
As at 31 March 2008	<u>107,517</u>	<u>221,099</u>	<u>21,900</u>	<u>350,516</u>
As at 31 March 2007	<u>131,780</u>	<u>189,506</u>	<u>9,292</u>	<u>330,578</u>

3 Creditors

Included in the creditors are the following amounts due after more than five years

	31 March 2008 £	31 March 2007 £
After more than five years by instalments	<u>231,472</u>	<u>290,114</u>
Included within creditors is secured creditors of £670,860 (2007 £442,520)		

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

continued

4 Share capital

	31 March 2008	31 March 2007
	£	£
Authorised		
Equity		
100,000 A Ordinary shares of £1 each	100,000	100,000
100,000 B Ordinary shares of £1 each	100,000	100,000
100,000 C Ordinary shares of £1 each	100,000	100,000
	<u>300,000</u>	<u>300,000</u>
Non equity		
1,000,000 Preference shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
Equity		
100 (31 March 2007 2) A Ordinary shares of £1 each	100	2
50 (31 March 2007 0) B Ordinary shares of £1 each	50	
50 (31 March 2007 0) C Ordinary shares of £1 each	50	
	<u>200</u>	<u>2</u>

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2008

continued

5 Related parties

Related party transactions

During the year the company paid a rent of £11,666 (31 March 2007 £11,666) to the directors for the use of the land and the property

The directors' paid the company £5,000 (31 March 2007 £5,000) for the use of the farmhouse

The directors' provided personal guarantees for all the bank loans and overdrafts in the company's balance sheet

Directors' loan accounts

The following balances owed by the directors were outstanding at the year end

	Maximum Balance £	31 March 2008 £	31 March 2007 £
A J Murchie	148,002	122,713	28,249
J W Murchie	133,675	130,457	7,594
	<u>281,677</u>	<u>253,170</u>	<u>35,843</u>

Interest has been charged at 6.25% in respect of these balances