

REGISTRAR OF COMPANIES

A & J Murchie Limited

Registration number: SC295564

Unaudited Abbreviated Accounts

31 March 2010



dodd&co

A & J Murchie Limited
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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 7) 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 28 March 2009, and in order to assist you to fulfil your duties under the Companies Act 2006, 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 2010 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 2006. 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

30 July 2010

A & J Murchie Limited
Registration number: SC295564
Abbreviated Balance Sheet as at 31 March 2010

		2010	2009
	Note	£	£
Fixed assets			
Intangible assets	2	44,654	66,050
Tangible assets	2	304,669	212,250
Investments	2	21,900	21,900
		<u>371,223</u>	<u>300,200</u>
Current assets			
Stocks		299,543	302,474
Debtors		144,382	109,194
Cash at bank and in hand		-	1,089
		<u>443,925</u>	<u>412,757</u>
Creditors: Amounts falling due within one year	3	<u>(552,916)</u>	<u>(402,956)</u>
Net current (liabilities)/assets		<u>(108,991)</u>	<u>9,801</u>
Total assets less current liabilities		262,232	310,001
Creditors: Amounts falling due after more than one year	3	(169,924)	(203,173)
Provisions for liabilities		<u>(38,891)</u>	<u>(27,143)</u>
Net assets		<u>53,417</u>	<u>79,685</u>
Capital and reserves			
Called up share capital	4	200	200
Profit and loss reserve		53,217	79,485
Shareholders' funds		<u>53,417</u>	<u>79,685</u>

The notes on pages 4 to 7 form an integral part of these financial statements.

A & J Murchie Limited

Registration number: SC295564

Abbreviated Balance Sheet as at 31 March 2010

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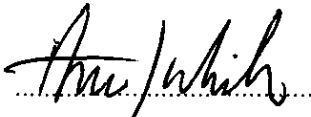
For the year ending 31 March 2010, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

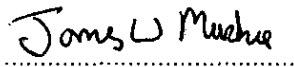
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 30 July 2010 and signed on its behalf by:



A J Murchie
Director



J W Murchie
Director

The notes on pages 4 to 7 form an integral part of these financial statements.

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2010

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 April 2008).

Going concern

These financial statements have been prepared on a going concern basis.

The company has net current liabilities at 31 March 2010 and meets its day to day working capital requirements through its bank overdraft facility which, in common with all such facilities, is repayable on demand. In addition the directors have provided financial support by way of short term loans. On the basis of this support, the directors consider it appropriate to prepare the financial statements on the going concern basis.

However, should the company not have the support of its bankers, and therefore be unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify fixed assets and long term liabilities as current assets and current liabilities.

Stock

Trading stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. The cost of livestock is determined on an individual basis, and represents the purchase cost plus any additional costs of rearing the animal. Net realisable value is based on selling price less anticipated selling costs.

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.

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2010

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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
Sheds	10% reducing balance basis
Motor vehicles	25% reducing balance basis
Office equipment	3 years straight line basis

Fixed asset investments

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

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.

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 April 2008).

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. Monetary 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.

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2010

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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.

2 Fixed assets

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
As at 1 April 2009	161,855	304,704	21,900	488,459
Additions	-	142,472	-	142,472
Disposals	-	(13,094)	-	(13,094)
As at 31 March 2010	<u>161,855</u>	<u>434,082</u>	<u>21,900</u>	<u>617,837</u>
Depreciation				
As at 1 April 2009	95,805	92,454	-	188,259
Eliminated on disposals	-	(5,052)	-	(5,052)
Charge for the year	21,396	42,011	-	63,407
As at 31 March 2010	<u>117,201</u>	<u>129,413</u>	<u>-</u>	<u>246,614</u>
Net book value				
As at 31 March 2010	<u>44,654</u>	<u>304,669</u>	<u>21,900</u>	<u>371,223</u>
As at 31 March 2009	<u>66,050</u>	<u>212,250</u>	<u>21,900</u>	<u>300,200</u>

3 Creditors

Creditors includes the following liabilities, on which security has been given by the company:

	2010 £	2009 £
Amounts falling due within one year	348,461	206,615
Amounts falling due after more than one year	132,073	203,173
	<u>480,534</u>	<u>409,788</u>

A & J Murchie Limited

Notes to the abbreviated accounts for the Year Ended 31 March 2010

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4 Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
Equity		
100 A Ordinary shares of £1 each	100	100
50 B Ordinary shares of £1 each	50	50
50 C Ordinary shares of £1 each	50	50
	<u>200</u>	<u>200</u>

5 Related parties

Related party transactions

During the year the company paid a rent of £11,666 (31 March 2009 - £11,666) to the directors for the use of the land and the property.

The directors' paid the company £5,000 (31 March 2009 - £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' advances

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

	2010 £	2009 £
A J Murchie	-	6,128
J W Murchie	-	20,452
	<u>-</u>	<u>26,580</u>

Interest of £245 has been charged in respect of these balances being overdrawn in the year.