

Registration number: SC295564

**A & J Murchie Limited**  
**Unaudited Abbreviated Accounts**  
**31 March 2011**

**dodd&co**

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**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 8) have been prepared.

**Chartered Accountants' Report to the Board of Directors on the Preparation of  
the Unaudited Financial Statements of  
A & J Murchie Limited  
for the Year Ended 31 March 2011**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A & J Murchie Limited for the year ended 31 March 2011 set out on pages 4 to 18 from the company's accounting records and from information and explanations you have given us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/membershandbook](http://icaew.com/membershandbook).

This report is made solely to the Board of Directors of A & J Murchie Limited, as a body, in accordance with the terms of our engagement letter dated 28 March 2009. Our work has been undertaken solely to prepare for your approval the financial statements of A & J Murchie Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A & J Murchie Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A & J Murchie Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of A & J Murchie Limited. You consider that A & J Murchie Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of A & J Murchie Limited. 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 statutory financial statements.

**Dodd & Co**  
Chartered Accountants  
FIFTEEN Rosehill  
Montgomery Way  
Rosehill Estate  
CARLISLE  
CA1 2RW  
4 August 2011

**A & J Murchie Limited**  
**(Registration number: SC295564)**  
**Abbreviated Balance Sheet at 31 March 2011**

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Intangible fixed assets	2	23,258	44,654
Tangible fixed assets	2	320,729	304,669
Investments	2	21,900	21,900
		<u>365,887</u>	<u>371,223</u>
<b>Current assets</b>			
Stocks		313,857	299,543
Debtors		85,415	144,382
		<u>399,272</u>	<u>443,925</u>
Creditors: Amounts falling due within one year	3	<u>(374,028)</u>	<u>(552,916)</u>
Net current assets/(liabilities)		<u>25,244</u>	<u>(108,991)</u>
Total assets less current liabilities		391,131	262,232
Creditors: Amounts falling due after more than one year	3	(272,796)	(169,924)
Provisions for liabilities		<u>(49,275)</u>	<u>(38,891)</u>
Net assets		<u>69,060</u>	<u>53,417</u>
<b>Capital and reserves</b>			
Called up share capital	4	200	200
Profit and loss account		<u>68,860</u>	<u>53,217</u>
Shareholders' funds		<u>69,060</u>	<u>53,417</u>

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

**A & J Murchie Limited**  
**(Registration number: SC295564)**  
**Abbreviated Balance Sheet at 31 March 2011**

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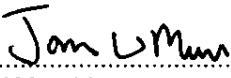
For the year ending 31 March 2011 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

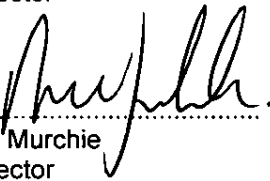
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

Approved by the Board on 4 August 2011 and signed on its behalf by:

x   
.....  
J W Murchie  
Director

x   
.....  
A J Murchie  
Director

## A & J Murchie Limited

### Notes to the Abbreviated Accounts for the Year Ended 31 March 2011

#### 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).

##### **Turnover**

Turnover represents amounts chargeable in respect of the sale of goods and services to customers.

##### **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.

##### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Short leasehold land and buildings	10% reducing balance basis
Plant and machinery	15% reducing balance basis
Motor vehicles	25% reducing balance basis
Office equipment	3 years straight line basis

##### **Milk quota amortisation**

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.

##### **Single farm payment amortisation**

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.

##### **Stocks**

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.

##### **Fixed asset investments**

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

## A & J Murchie Limited

### Notes to the Abbreviated Accounts for the Year Ended 31 March 2011

..... *continued*

#### **Deferred tax**

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 the FRSSE.

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 currency**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

#### **Hire purchase and leasing**

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

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 the shorter of the lease term and 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 the shorter of the lease term and 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 and represent a constant proportion of the balance of capital repayments outstanding.

#### **Pensions**

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

**A & J Murchie Limited**

**Notes to the Abbreviated Accounts for the Year Ended 31 March 2011**

..... *continued*

**2 Fixed assets**

	Intangible assets £	Tangible assets £	Investments £	Total £
<b>Cost</b>				
At 1 April 2010	161,855	434,082	21,900	617,837
Additions	-	88,725	-	88,725
Disposals	-	(40,915)	-	(40,915)
At 31 March 2011	<u>161,855</u>	<u>481,892</u>	<u>21,900</u>	<u>665,647</u>
<b>Depreciation</b>				
At 1 April 2010	117,201	129,413	-	246,614
Charge for the year	21,396	50,242	-	71,638
Eliminated on disposals	-	(18,492)	-	(18,492)
At 31 March 2011	<u>138,597</u>	<u>161,163</u>	<u>-</u>	<u>299,760</u>
<b>Net book value</b>				
At 31 March 2011	<u>23,258</u>	<u>320,729</u>	<u>21,900</u>	<u>365,887</u>
At 31 March 2010	<u>44,654</u>	<u>304,669</u>	<u>21,900</u>	<u>371,223</u>



## A & J Murchie Limited

### Notes to the Abbreviated Accounts for the Year Ended 31 March 2011

..... *continued*

#### 3 Creditors

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

	2011 £	2010 £
Amounts falling due within one year	168,285	348,461
Amounts falling due after more than one year	240,623	132,073
Total secured creditors	408,908	480,534

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

	2011 £	2010 £
After more than five years by instalments	174,947	-
	174,947	-

#### 4 Share capital

Allotted, called up and fully paid shares

	2011		2010	
	No.	£	No.	£
A Ordinary shares of £1 each	100	100	100	100
B Ordinary shares of £1 each	50	50	50	50
C Ordinary shares of £1 each	50	50	50	50
	200	200	200	200

## A & J Murchie Limited

### Notes to the Abbreviated Accounts for the Year Ended 31 March 2011

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#### 5 Related party transactions

##### Directors' advances and credits

	2011 Advance/ Credit £	2011 Repaid £	2010 Advance/ Credit £	2010 Repaid £
<b>A J Murchie</b>				
Advances	20,101	-	27,625	-
Interest on loan account	216	-	195	-
Company expenses paid personally	-	843	-	1,204
Undrawn remuneration and charges	-	6,952	-	9,865
Repayment	-	12,522	-	16,751
	<u>20,317</u>	<u>20,317</u>	<u>27,820</u>	<u>27,820</u>
<b>J W Murchie</b>				
Advances	56,090	-	30,526	-
Interest on loan account	313	-	50	-
Company expenses paid personally	-	2,035	-	1,102
Dividends credited	-	25,390	-	23,042
Undrawn remuneration and charges	-	10,924	-	4,932
Repayment	-	18,054	-	1,500
	<u>56,403</u>	<u>56,403</u>	<u>30,576</u>	<u>30,576</u>

Directors' advances are repayable on demand.

Interest has been charged at a rate of 4% on advances to directors.

The maximum amount owed by A J Murchie during the year was £13,131 and the maximum amount owed by J W Murchie during the year was £19,000.

#### 6 Control

The company is controlled by the directors who own 100% of the called up share capital.