

**MURRAY PIPEWORK LIMITED**

**Report and Financial Statements**

**31 January 2004**



# **MURRAY PIPEWORK LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2004**

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# **MURRAY PIPEWORK LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2004**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

D E Murray  
K A Cockburn

#### **SECRETARY**

D W M Horne

#### **REGISTERED OFFICE**

9 Charlotte Square  
Edinburgh  
EH2 4DR

#### **SOLICITORS**

Dundas & Wilson  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EN

#### **AUDITORS**

Deloitte & Touche LLP  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2DB

# **MURRAY PIPEWORK LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 January 2004.

### **ACTIVITIES**

The company did not trade during the year or the preceding year. The directors expect this to continue.

### **DIRECTORS AND THEIR INTERESTS**

The directors who served during the year were:

D E Murray  
K A Cockburn

At 31 January 2004 neither of the directors had any interest in the share capital of the company (31 January 2003 – nil). The interests of the directors in the share capital of the ultimate holding company (Note 4) are disclosed in the directors' report accompanying that company's financial statements.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

### **AUDITORS**

On 1 August 2003, Deloitte & Touche, the company's auditors transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989. A resolution to re-appoint Deloitte & Touche LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed by order of the Board



D W M Horne

Secretary

21 July 2004

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MURRAY PIPEWORK LIMITED**

We have audited the financial statements of Murray Pipework Limited for the year ended 31 January 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 6. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

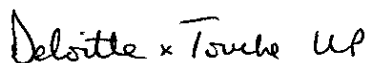
### **Basis of opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 January 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

Edinburgh

21 July 2004

# **MURRAY PIPEWORK LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**Year ended 31 January 2004**

The company did not trade during the current or preceding year and has made neither profit nor loss, nor any other recognised gain or loss.

# MURRAY PIPEWORK LIMITED

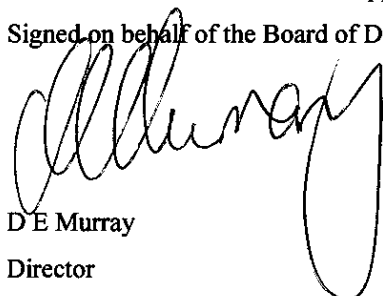
## BALANCE SHEET 31 JANUARY 2004

|                                   | Note | 2004<br>£ | 2003<br>£ |
|-----------------------------------|------|-----------|-----------|
| <b>CAPITAL AND RESERVES</b>       |      |           |           |
| Called-up equity share capital    | 2    | 22,859    | 22,859    |
| Profit and loss account           |      | (22,859)  | (22,859)  |
| <b>EQUITY SHAREHOLDERS' FUNDS</b> |      | <u>-</u>  | <u>-</u>  |

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 21 July 2004

Signed on behalf of the Board of Directors



D E Murray  
Director

**NOTES TO THE ACCOUNTS**

**Year ended 31 January 2004**

**1. ACCOUNTING POLICIES**

The principal accounting policy is summarised below. It has been applied consistently throughout the year and the preceding year.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

**2. CALLED-UP EQUITY SHARE CAPITAL**

|  | 2004<br>£ | 2003<br>£ |
|--|-----------|-----------|
| <i>Authorised:</i>                         |           |           |
| 25,000 ordinary shares of £1 each          | 25,000    | 25,000    |
| <i>Allotted, called-up and fully paid:</i> |           |           |
| 22,859 ordinary shares of £1 each          | 22,859    | 22,859    |

**3. GUARANTEES AND OTHER FINANCIAL COMMITMENTS**

*a) Capital commitments*

There were no capital commitments at 31 January 2004 (31 January 2003 - £nil).

*b) Contingent liabilities*

The company has guaranteed bank borrowings of its holding company and certain other subsidiary undertakings. The total contingency at 31 January 2004 amounts to £124,906,050 (31 January 2003 - £122,642,851). Security for the bank facilities consists of cross guarantees and a bond and floating charge over the assets of the company.

**4. ULTIMATE HOLDING COMPANY**

The ultimate holding company is Murray International Holdings Limited, which is registered in Scotland. The largest and smallest group in which the results of the company are consolidated is that headed by the ultimate holding company whose principal place of business is at 9 Charlotte Square, Edinburgh, EH2 4DR. Copies of Murray International Holdings Limited financial statements are available from the above address.

**5. ULTIMATE CONTROL**

Mr D E Murray, a director of the ultimate holding company (Note 4), and members of his close family control the company as a result of controlling directly or indirectly 82% of the issued share capital of the ultimate holding company.

**6. CASH FLOW STATEMENT**

The company is exempt from the requirements of Financial Reporting Standard 1 (Revised) to include a cash flow statement as part of its financial statements because it is a wholly owned subsidiary of Murray International Holdings Limited whose financial statements contain a consolidated cash flow statement and are available to the public.