

MACKAY AND MACLEOD ENGINEERING LTD

106415

REPORT AND MODIFIED ACCOUNTS

FOR THE PERIOD FROM 16 OCTOBER 1987 TO 31 JANUARY 1989

R W M & K M MACKENZIE & CO

CHARTERED ACCOUNTANTS

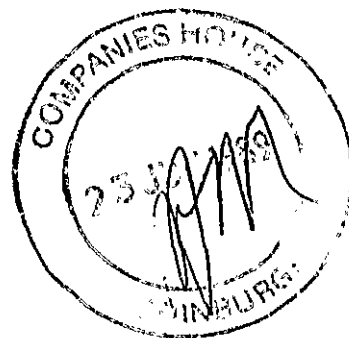
GEANIES HOUSE

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ROSS-SHIRE

IV20 1TW



REPORT OF THE AUDITORSTO THE DIRECTORS OF MACKAY AND MACLEOD ENGINEERING LTD

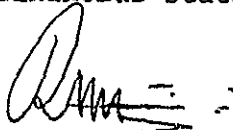
In our opinion the directors are entitled by Section 247 to 249 of the Companies Act 1985 to deliver modified financial statements in respect of the period ended 31 January 1989 and, in particular, the modified financial statements have been properly prepared in accordance with Schedule 8 to that act. We are not required to express an audit opinion on the truth and fairness of these modified financial statements.

We reported, as auditors of Mackay and Macleod Engineering Ltd to the members on 15 MAY 1989 on the companies financial statements prepared under Section 227 of the Company's Act 1985 for the period ended 31 January 1989, and our audit opinion was as follows:

"We have audited the financial statements on pages 4 to 10 in accordance with approved auditing standards.

In common with other companies of this size the company does not operate a complete system of internal controls and we have had to rely on information supplied by the directors.

Subject to the foregoing, we are of the opinion that the financial statements have been correctly prepared under the Historical Cost Convention and that they give a true and fair view of the state of the company's affairs at 31 January 1989 and of the profit and source and application of funds for the period then ended and comply with the Companies Act 1985 insofar as the provisions of that Act applies to the financial statements.



R W M & K M MACKENZIE & CO
CHARTERED ACCOUNTANTS
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MACKAY AND MACLEOD ENGINEERING LTDMODIFIED BALANCE SHEET AS AT 31 JANUARY 1989

	<u>Note</u>	<u>At 31.1.89</u>	
		£	£
FIXED ASSETS			23,850
CURRENT ASSETS			
Stock & Work-in-Progress		71,810	
Debtors		163,152	
Cash in Hand		227	

		235,189	

CREDITORS:- amounts falling due within one year	2	243,171	

NET CURRENT ASSETS / (LIABILITIES)			(7,982)

TOTAL ASSETS LESS CURRENT LIABILITIES			15,868
CREDITORS:- Amounts falling due after more than one year			(9,567)

			6,301
			=====
CAPITAL AND RESERVES			
Called up Share Capital	3		2
Profit and Loss Account			6,299

			6,301
			=====

In preparing the modified accounts:-

- a) We have relied upon the exemptions for individual financial statements set out in Sections 247 and 249 of the Companies Act 1985.
- b) We have done so on the grounds that the company is entitled to the benefit of those exemptions as a small company.

M. Kydd M Kydd Director

A. Christie A Christie Director

The notes on page 3 form part of these accounts.

MACKAY AND MACLEOD ENGINEERING LTDNOTES TO THE ACCOUNTS AT 31 JANUARY 1989

1 ACCOUNTING POLICIES

Accounting Convention

The Accounts are prepared under the historical cost convention.

Depreciation

Depreciation is charged on the Fixed Assets at the following rates:-

Plant & Equipment - 20% Reducing Balance
Vehicles - 25% Reducing Balance

Leased Assets

Assets leased under Finance Leases are treated as if they had been purchased at the start of the lease and the capital elements of the leasing commitments are shown as Lease Liabilities. Depreciation on these assets is charged to Profit and Loss Account and the leasing charges are split between capital and interest with the former being deducted from lease liabilities and the latter being charged to profit and loss account.

2 BANK OVERDRAFT

1989

£

Bank Overdraft 113,623

The bank overdraft is secured with a Bond and Floating Charge held over all company assets and a Letter of Guarantee from the holding company.

3 SHARE CAPITAL

	Authorised	Allocated, Issued and Fully Paid
	<u>1989</u>	<u>1989</u>
	£	£
Ordinary Shares of £1 each	100	2