

MACKAY'S LTD
ABBREVIATED FINANCIAL STATEMENTS
FOR
31ST DECEMBER 1999



MILLER, McINTYRE & GELLATLY CA
Chartered Accountants & Registered Auditors
20 Reform Street
Dundee
DD1 1RQ

MACKAY'S LTD

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1999

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MACKAY'S LTD

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the Year ended 31st December 1999 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

20 Reform Street
Dundee
DD1 1RQ

(4.06.200).....

MILLER, McINTYRE & GELLATLY CA
Chartered Accountants
& Registered Auditors

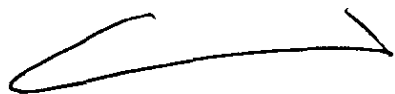
Miller McIntyre & Gellatly CA

MACKAY'S LTD**ABBREVIATED BALANCE SHEET****31ST DECEMBER 1999**

	Note	1999 £	£	1998 £	£
FIXED ASSETS	2				
Intangible assets			269,027		275,532
Tangible assets			<u>474,980</u>		<u>478,256</u>
			744,007		753,788
CURRENT ASSETS					
Stocks		220,193		196,737	
Debtors		274,736		156,220	
Cash at bank and in hand		<u>271</u>		<u>22</u>	
		495,200		352,979	
CREDITORS: Amounts falling Due within one year		(881,397)		(771,056)	
NET CURRENT LIABILITIES			(386,197)		(418,077)
TOTAL ASSETS LESS CURRENT LIABILITIES			357,810		335,711
CREDITORS: Amounts falling due After more than one year			(544,212)		(231,625)
			(186,402)		104,086
CAPITAL AND RESERVES					
Called-up equity share capital	4		100		128
Share premium account			-		214,972
Profit and Loss Account			<u>(186,502)</u>		<u>(111,014)</u>
(DEFICIENCY)/SHAREHOLDERS' FUNDS			(186,402)		104,086

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 13-6-2001, and are signed on their behalf by:



.....
MR C P GRANT

MACKAY'S LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 1999****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the Year, exclusive of Value Added Tax.

Business development costs

Development costs incurred on separately identifiable projects are capitalised and amortised through the profit and loss account.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Business development costs - 15% on cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Factory - 2% on cost

Plant and machinery, etc - 10% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Pension costs

The company operates two defined contribution pension schemes on behalf of various employees. The first is a small self - administered scheme to the benefit of the directors, and the second is a group personal pension scheme to the benefit of the other employees. The assets of these schemes are held separately from those of the company in separately administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £12,470 (1998 - £14,352).

MACKAY'S LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 1999****1. ACCOUNTING POLICIES** *(continued)***Grants receivable**

Grants of a revenue nature are credited to the profit and loss account in the year to which they relate.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. FIXED ASSETS

	Intangible Assets £	Tangible Fixed Assets £	Total £
COST			
At 1st January 1999	349,843	530,016	879,859
Additions	82,009	38,946	120,955
Disposals	(31,689)	(6,395)	(38,084)
At 31st December 1999	400,163	562,567	962,730
DEPRECIATION			
At 1st January 1999	74,311	51,760	126,071
Charge for Year	58,001	39,187	97,188
On disposals	(1,176)	(3,360)	(4,536)
At 31st December 1999	131,136	87,587	218,723
NET BOOK VALUE			
At 31st December 1999	269,027	474,980	744,007
At 31st December 1998	275,532	478,256	753,788

3. TRANSACTIONS WITH THE DIRECTORS

The company paid rent to C P and H M Grant for the use of the premises of 17 Thistle Street, Carnoustie. The annual rental being £12,000.

MACKAY'S LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 1999****4. SHARE CAPITAL****Authorised share capital:**

	1999 £	1998 £
250,000 Ordinary shares of £1.00 each	<u>250,000</u>	<u>250,000</u>

Allotted, called up and fully paid:

	1999 £	1998 £
Ordinary share capital brought forward	128	100
Issue of ordinary shares	<u>(28)</u>	<u>28</u>
	<u>100</u>	<u>128</u>

The Pensions Superannuation Office has expressed the view that is in unwilling to allow all or part of the Pension Scheme Loan at this time to be capitalised. Accordingly the company's records have been altered to reflect this view.