

**A J KERNAHAN
DEVELOPMENTS LIMITED
UNAUDITED ABBREVIATED
ACCOUNTS
31ST OCTOBER 2007**



SCRUTTON BLAND

Accountants
Sanderson House
Museum Street
Ipswich
IP1 1HE

A J KERNAHAN DEVELOPMENTS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST OCTOBER 2007

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A J KERNAHAN DEVELOPMENTS LIMITED**ABBREVIATED BALANCE SHEET****31ST OCTOBER 2007**

		2007	2006
	Note	£	£
FIXED ASSETS	2		
Tangible assets		<u>55,155</u>	<u>27,547</u>
CURRENT ASSETS			
Stocks		573,825	53,851
Debtors		147,194	41,962
Cash at bank and in hand		<u>117,614</u>	<u>1,090</u>
		838,633	96,903
CREDITORS: Amounts falling due within one year	3	<u>441,252</u>	<u>47,642</u>
NET CURRENT ASSETS		<u>397,381</u>	<u>49,261</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>452,536</u>	<u>76,808</u>
CREDITORS: Amounts falling due after more than one year		202,674	-
PROVISIONS FOR LIABILITIES		<u>3,214</u>	<u>-</u>
		<u>246,648</u>	<u>76,808</u>
CAPITAL AND RESERVES			
Called-up equity share capital	5	1,000	1,000
Profit and loss account		<u>245,648</u>	<u>75,808</u>
SHAREHOLDERS' FUNDS		<u>246,648</u>	<u>76,808</u>

The Balance sheet continues on the following page.

The notes on pages 3 to 5 form part of these abbreviated accounts.

A J KERNAHAN DEVELOPMENTS LIMITED

ABBREVIATED BALANCE SHEET *(continued)*

31ST OCTOBER 2007

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

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

These abbreviated accounts were approved by the directors and authorised for issue on 23rd July 2008, and are signed on their behalf by



Mr A J Kernahan
Director

The notes on pages 3 to 5 form part of these abbreviated accounts.

A J KERNAHAN DEVELOPMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST OCTOBER 2007

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 January 2005)

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the Financial Reporting Standard for Smaller Entities (effective January 2005)

The directors do not consider the adoption of the Financial Reporting Standards for Smaller Entities (effective January 2005) has had any impact on the accounting policies

Turnover

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

In respect of long-term contracts and contracts for on-going services, turnover represents the *value of work done in the year, including estimates of amounts not invoiced*. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

Fixed assets

All fixed assets are initially recorded at 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

Plant & Machinery	- 25% straight line
Motor Vehicles	- 25% straight line

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

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 on a straight line basis

A J KERNAHAN DEVELOPMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST OCTOBER 2007

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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

	Tangible Assets £
COST	
At 1st November 2006	36,730
Additions	56,566
Disposals	(11,270)
At 31st October 2007	<u>82,026</u>
DEPRECIATION	
At 1st November 2006	9,183
Charge for year	20,506
On disposals	(2,818)
At 31st October 2007	<u>26,871</u>

A J KERNAHAN DEVELOPMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST OCTOBER 2007

2. FIXED ASSETS *(continued)*

NET BOOK VALUE

At 31st October 2007

55,155

At 31st October 2006

27,547

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2007 £	2006 £
Bank loans and overdrafts	<u>276,912</u>	<u>-</u>

4. TRANSACTIONS WITH THE DIRECTORS

	2007 £	2006 £
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Included within other creditors are the following amounts owed to the directors

Mr & Mrs Kernahan	<u>199,076</u>
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5. SHARE CAPITAL

Authorised share capital:

	2007 £	2006 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

A J KERNAHAN DEVELOPMENTS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS OF A J KERNAHAN DEVELOPMENTS LIMITED

YEAR ENDED 31ST OCTOBER 2007

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise 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 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 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 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 31st October 2007 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 1985. 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.

Sanderson House
Museum Street
Ipswich
IP1 1HE

SCRUTTON BLAND
Accountants

23rd July 2008