

Kavanagh Motors Limited

Registered number 03430656

Abbreviated accounts

For the year ended 31 January 2012



KAVANAGH MOTORS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAVANAGH MOTORS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 3 to 7 together with the financial statements of Kavanagh Motors Limited for the year ended 31 January 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report's 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006.

It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you. This report, including our opinion, has been prepared for and only for the company's members as a body. Our work has been undertaken so that we might state to the company's members those matters we are required 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 members as a body for our work, for this report, or for the opinions we have formed.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin 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 are properly prepared.

The scope of our work for the purpose of this report does not include examining events occurring after the date of our auditors' report's on the full financial statements.

The comparative figures disclosed in the 2012 financial statements for the balance sheet as at 31 January 2011 and the profit and loss account for the year then ended, were not audited.

KAVANAGH MOTORS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAVANAGH MOTORS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section

Elisabeth Maxwell

Elisabeth Maxwell (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Date *31st October 2012*

KAVANAGH MOTORS LIMITED

Registered number 03430656

**ABBREVIATED BALANCE SHEET
AS AT 31 JANUARY 2012**

	Note	£	2012 £	£	2011 Unaudited & restated £
Fixed assets					
Intangible assets	2		378,101		407,601
Tangible assets	3		3,403,182		1,446,349
Investments			1		1
			<u>3,781,284</u>		<u>1,853,951</u>
Current assets					
Stocks		59,202		15,203	
Debtors	4	1,241,800		895,585	
Cash at bank and in hand		168,695		223,229	
		<u>1,469,697</u>		<u>1,134,017</u>	
Creditors: amounts falling due within one year		<u>(1,901,023)</u>		<u>(984,252)</u>	
Net current (liabilities)/assets			<u>(431,326)</u>		<u>149,765</u>
Total assets less current liabilities			<u>3,349,958</u>		<u>2,003,716</u>
Creditors: amounts falling due after more than one year			<u>(1,929,326)</u>		<u>(639,514)</u>
Provisions for liabilities					
Deferred tax			<u>(144,488)</u>		<u>(84,312)</u>
Net assets			<u>1,276,144</u>		<u>1,279,890</u>
Capital and reserves					
Called up share capital	5		2		2
Profit and loss account			<u>1,276,142</u>		<u>1,279,888</u>
Shareholders' funds			<u>1,276,144</u>		<u>1,279,890</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 31 October 2012



K Kavanagh
Director

The notes on pages 4 to 7 form part of these financial statements

KAVANAGH MOTORS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2012

1. Accounting Policies

1.1 Basis of preparation of financial statements

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)

The comparative values for the year end 31 January 2011, were not subject to audit

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term leasehold property	-	15 Year Straight Line
Plant & machinery	-	20% Reducing Balance
Motor vehicles	-	20% Reducing Balance
Fixtures & fittings	-	20% Reducing Balance
Office equipment	-	20% Reducing Balance

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment

1.6 Stocks

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

1.7 Employee benefit trust

In accordance with Urgent Issues Task Force Abstract 32 - Employee benefit trusts and other intermediate payment arrangements ("UITF 32"), the company includes the assets and liabilities of that trust within its balance sheet. In the event of the winding up of Kavanagh Motors Limited, neither the shareholder nor the creditors would be entitled to the assets of the employee benefit trust.

KAVANAGH MOTORS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2012

2 Intangible fixed assets

	£
Cost	
At 1 February 2011 (unaudited and restated) and 31 January 2012	752,000
Amortisation	
At 1 February 2011 (unaudited and restated)	344,399
Charge for the year	29,500
At 31 January 2012	373,899
Net book value	
At 31 January 2012	378,101
At 31 January 2011 (unaudited and restated)	407,601

3. Tangible fixed assets

	£
Cost	
At 1 February 2011 (unaudited)	2,562,379
Additions	2,335,869
At 31 January 2012	4,898,248
Depreciation	
At 1 February 2011 (unaudited)	1,116,030
Charge for the year	379,036
At 31 January 2012	1,495,066
Net book value	
At 31 January 2012	3,403,182
At 31 January 2011 (unaudited)	1,446,349

The net book value of other tangible fixed assets includes £3,084,371 (2011 - £1,145,581 unaudited) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £321,549 (2011 - £184,767 unaudited) for the year.

KAVANAGH MOTORS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2012

4. Debtors

Debtors include £470,289 (2011 - £470,289) falling due after more than one year

Included in other debtors are loans due by K Kavanagh of £250,000 (2011 - £250,000 as restated) to the Kavanagh Motors Limited employee benefit trust. The assets of the trust are separate from those of the company but are included within the company's financial statements in accordance with UITF 32. These amounts are repayable in 2034 and are unsecured and interest free.

5. Share capital

	2012 £	2011 Unaudited £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

KAVANAGH MOTORS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2012

6 Prior year adjustment

In certain cases, the director has reanalysed corresponding amounts to make their disclosure more meaningful

The director has recognised the appropriate treatment of amounts residing within the Kavanagh Motors Limited employee benefit trust which had not been consolidated at the previous year end. Comparative figures have been restated accordingly. The effect of this reclassification is to increase the value of other debtors brought forward by £250,000 and to increase the value of brought forward profit and loss reserves by the same amount.

The director has recognised the appropriate income recognition policy in the previous period. Comparative figures have been restated accordingly. The effect of this amendment is to increase the value of turnover in the prior period by £11,749, with a consequent increase to brought forward profit and loss reserves. The value of accrued income brought forward has been increased by the same amount.

The director has recognised the appropriate treatment of the cost of a fixed asset investment, the cost of which should have been written off in prior years following that subsidiary company's dissolution. Comparative figures have been restated accordingly. The effect of this amendment is to reduce the cost value of brought forward fixed asset investments by £20,000 and to reduce brought forward profit and loss reserves by the same amount.

The director has recognised the appropriate treatment of goodwill previously capitalised, certain elements of which did not meet the recognition criteria in prior years. Comparative figures have been restated accordingly. The effect of this amendment is to reduce the cost value of brought forward goodwill by £88,555, to reduce the amortisation value of brought forward goodwill by £42,787 and to reduce brought forward profit and loss reserves by £45,768.

The director has recognised the appropriate goodwill amortisation policy to amortise the cost over 20 years from the date of acquisition. In previous periods, the cost had been amortised over 25 years in error. Comparative figures have been restated accordingly. The effect of this amendment is to increase the amortisation value of brought forward goodwill by £117,999 and to reduce brought forward profit and loss reserves by the same amount.

The director has recognised the appropriate treatment of deferred taxation, which had not been recognised in previous periods. Comparative figures have been restated accordingly. The effect of this amendment is to increase the value of deferred tax liabilities brought forward by £84,312 and to reduce brought forward profit and loss reserves by the same amount.