

CARNEY CONTRACTS LIMITED

Abbreviated Accounts

31 March 2006

GALBRAITH McEWAN & CO

Chartered Accountants

23 Barns Street

Ayr

KA7 1XB



CARNEY CONTRACTS LIMITED

ABBREVIATED ACCOUNTS

PERIOD FROM 4 MARCH 2005 TO 31 MARCH 2006

Contents	Page
Accountants' Report to the Director	1
Abbreviated Balance Sheet	2
Notes to the Abbreviated Accounts	3

CARNEY CONTRACTS LIMITED

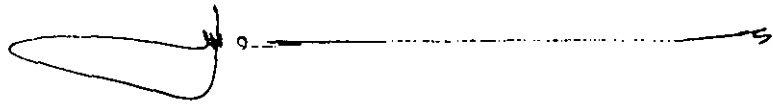
ACCOUNTANTS' REPORT TO THE DIRECTOR OF CARNEY CONTRACTS LIMITED

PERIOD FROM 4 MARCH 2005 TO 31 MARCH 2006

As described on the balance sheet, the director of the company is responsible for the preparation of the abbreviated accounts for the period ended 31 March 2006, set out on pages 2 to 5.

You consider that the company is exempt from an audit under the Companies Act 1985.

In accordance with your instructions we have compiled these unaudited abbreviated accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line extending to the right.

GALBRAITH McEWAN & CO
Chartered Accountants

23 Barns Street
Ayr
KA7 1XB

12 September 2006

CARNEY CONTRACTS LIMITED

ABBREVIATED BALANCE SHEET

31 MARCH 2006

	Note	£	31 Mar 06 £
Fixed Assets	2		
Intangible assets			146,250
Tangible assets			285,968
			<u>432,218</u>
Current Assets			
Stocks		63,956	
Debtors		546,366	
Cash at bank and in hand		4,731	
		<u>615,053</u>	
Creditors: Amounts Falling due Within One Year		<u>950,970</u>	
Net Current Liabilities			(335,917)
Total Assets Less Current Liabilities			<u>96,301</u>
Creditors: Amounts Falling due after More than One Year			66,774
			<u>29,527</u>
Capital and Reserves			
Called-up equity share capital	3		1
Profit and loss account			29,526
Shareholders' Funds			<u>29,527</u>

The director is 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 period by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

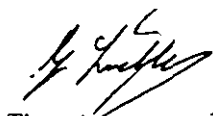
The director acknowledges his responsibility for:

- (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 period and of its profit or loss for the financial period 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 and signed by the director on 12 September 2006.

Mr G C Findlay
Director



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

CARNEY CONTRACTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 4 MARCH 2005 TO 31 MARCH 2006

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 following Financial Reporting Standards:

-Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, 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.

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:

Goodwill - 5% Straight Line

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	- 10% Reducing Balance
Motor Vehicles	- 25% Reducing Balance
Equipment	- 25% Reducing Balance

CARNEY CONTRACTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 4 MARCH 2005 TO 31 MARCH 2006

1. Accounting Policies (continued)

Stocks

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

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.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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

	Intangible Assets £	Tangible Assets £	Total £
Cost			
Additions	153,000	338,714	491,714
At 31 March 2006	<u>153,000</u>	<u>338,714</u>	<u>491,714</u>
Depreciation			
Charge for period	6,750	52,746	59,496
At 31 March 2006	<u>6,750</u>	<u>52,746</u>	<u>59,496</u>

CARNEY CONTRACTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 4 MARCH 2005 TO 31 MARCH 2006

2. Fixed Assets (continued)

Net Book Value			
At 31 March 2006	<u>146,250</u>	<u>285,968</u>	<u>432,218</u>

3. Share Capital

Authorised share capital:

	31 Mar 06
	£
1,000 Ordinary shares of £1 each	<u>1,000</u>

Allotted, called up and fully paid:

	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>