

CARNEY CONTRACTS LIMITED

Abbreviated Accounts

31 March 2008



GALBRAITH McEWAN & CO

Chartered Accountants & Registered Auditors

23 Barns Street

Ayr

KA7 1XB

CARNEY CONTRACTS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2008

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CARNEY CONTRACTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO CARNEY CONTRACTS
LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 5 to 8, together with the financial statements of Carney Contracts Limited for the year ended 31 March 2008 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. 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 auditor's 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 for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Director and the Auditor

The director is 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

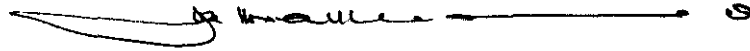
CARNEY CONTRACTS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO CARNEY CONTRACTS
LIMITED *(continued)***

UNDER SECTION 247B OF THE COMPANIES ACT 1985

Other Information

On 17 December 2008 we reported, as auditor of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 2008, and the full text of the company audit report is reproduced on pages 3 to 4 of these financial statements.



GALBRAITH McEWAN & CO
Chartered Accountants
& Registered Auditors

23 Barns Street
Ayr
KA7 1XB

17 December 2008

CARNEY CONTRACTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CARNEY CONTRACTS LIMITED

YEAR ENDED 31 MARCH 2008

We have audited the financial statements of Carney Contracts Limited for the year ended 31 March 2008 on pages 6 to 12 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and on the basis of the accounting policies set out on pages 8 to 9.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Director and Auditor

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

CARNEY CONTRACTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CARNEY CONTRACTS LIMITED *(continued)*

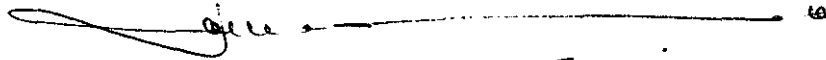
YEAR ENDED 31 MARCH 2008

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Director's Report is consistent with the financial statements.



GALBRAITH McEWAN & CO
Chartered Accountants
& Registered Auditors

23 Barns Street
Ayr
KA7 1XB

17 December 2008

CARNEY CONTRACTS LIMITED

ABBREVIATED BALANCE SHEET

31 MARCH 2008

	Note	2008 £	2007 £
Fixed Assets	2		
Intangible assets		129,150	137,700
Tangible assets		<u>332,515</u>	<u>305,183</u>
		<u>461,665</u>	<u>442,883</u>
Current Assets			
Stocks		256,325	263,786
Debtors		456,224	244,138
Cash at bank and in hand		<u>328,950</u>	<u>95,490</u>
		1,041,499	603,414
Creditors: Amounts Falling due Within One Year		<u>671,314</u>	<u>707,150</u>
Net Current Assets/(Liabilities)		<u>370,185</u>	<u>(103,736)</u>
Total Assets Less Current Liabilities		<u>831,850</u>	<u>339,147</u>
Creditors: Amounts Falling due after More than One Year		98,467	50,248
		<u>733,383</u>	<u>288,899</u>
Capital and Reserves			
Called-up equity share capital	3	1	1
Profit and loss account		733,382	288,898
Shareholders' Funds		<u>733,383</u>	<u>288,899</u>

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 and authorised for issue on 17 December 2008.



Mr G C Findlay
Director

The notes on pages 6 to 8 form part of these abbreviated accounts.

CARNEY CONTRACTS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2008

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 2007).

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.

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

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.

CARNEY CONTRACTS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2008

1. Accounting Policies (continued)

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			
At 1 April 2007	153,000	418,661	571,661
Additions	–	175,013	175,013
Disposals	–	(109,821)	(109,821)
At 31 March 2008	<u>153,000</u>	<u>483,853</u>	<u>636,853</u>
Depreciation			
At 1 April 2007	15,300	113,478	128,778
Charge for year	8,550	66,863	75,413
On disposals	–	(29,003)	(29,003)
At 31 March 2008	<u>23,850</u>	<u>151,338</u>	<u>175,188</u>
Net Book Value			
At 31 March 2008	<u>129,150</u>	<u>332,515</u>	<u>461,665</u>
At 31 March 2007	<u>137,700</u>	<u>305,183</u>	<u>442,883</u>

CARNEY CONTRACTS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2008

3. Share Capital

Authorised share capital:

	2008	2007
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2008		2007	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>