

Kavanagh Enterprises Limited

Report and Financial Statements

For the year ended 31 March 2012



REPORT AND FINANCIAL STATEMENTS 2012

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**OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 31 MARCH 2012**

DIRECTORS

Sir Peter Rigby
Mr J P Rigby

REGISTERED OFFICE

James House
Warwick Road
Birmingham
B11 2LE

SOLICITORS

Wragge & Co LLP
55 Colmore Row
Birmingham
B3 2AS

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

The directors present their annual report and the audited financial statements for the year ended 31 March 2012

PRINCIPAL ACTIVITIES

The directors do not envisage that the company will trade in the foreseeable future

The company has been dormant, as defined in section 1169 of the Companies Act 2006 throughout the year and preceding period

RESULTS AND DIVIDENDS

The financial statements for the year ended 31 March 2012 are set out on pages 4 to 10. The result for the year after taxation was £Nil (period ended 31 March 2011 - £873,822)

The directors paid an interim dividend of £Nil (period ended 31 March 2011 - £989 10) per ordinary share

DIRECTORS

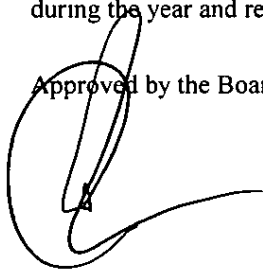
The directors who served during the period and subsequently were as follows

Sir Peter Rigby
J P Rigby

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report

Approved by the Board of Directors and signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'J P Rigby', is written over the text 'Approved by the Board of Directors and signed on behalf of the Board'.

J P Rigby
Director
3 December 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

KAVANAGH ENTERPRISES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

		Year ended 31 March 2012 £	11 months ended 31 March 2011 £
	Note		
Other operating income	2	-	1,034,822
Exceptional operating expenses	3	-	(161,000)
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	-	873,822
Tax on profit on ordinary activities	7	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	13	-	873,822

All results have arisen from operations which were discontinued on 30 October 2010

There are no recognised gains or losses in either period other the profit for that period, accordingly, no statement of recognised gains and losses is presented

BALANCE SHEET
31 MARCH 2012

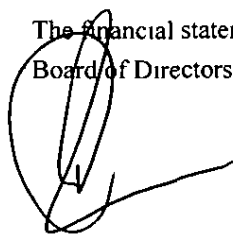
	Note	31 March 2012 £	31 March 2011 £
FIXED ASSETS			
Investments	9	64,000	64,000
CURRENT ASSETS			
Cash at bank and in hand		29	29
CREDITORS: Amounts falling due within one year	10	(63,904)	(63,904)
NET CURRENT LIABILITIES		(63,875)	(63,875)
NET ASSETS		125	125
CAPITAL AND RESERVES			
Called up share capital	11	111	111
Other reserves	12	14	14
Profit and loss account	12	-	-
SHAREHOLDERS' FUNDS	13	125	125

For the period ended 31 March 2012 the company was entitled to exemption from audit under section 480 of the Companies Act 2006

No members have required the company to obtain an audit of its financial statements for the period in question in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements of Kavanagh Enterprises Limited, registered number 05131092, were approved by the Board of Directors and authorised for issue on 3 December 2012 and signed on its behalf by



J P Rigby
Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards

The particular accounting policies adopted by the directors are described below, these have been applied consistently throughout the year and preceding year

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by S400 of the Companies Act 2006 because it is wholly owned subsidiary of Specialist Computer Holdings plc, which prepared consolidated financial statements which are publicly available. The company is also on this basis, exempt from the requirement of Financial Reporting Standard Number 1 to present a cash flow statement

Investments

Fixed asset investments are shown at cost less provision for impairment

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more than likely that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

2. OTHER OPERATING INCOME

	Year ended 31 March 2012 £	11 months ended 31 March 2011 £
Dividends received from group companies	-	1,034,822

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2012**

3 EXCEPTIONAL OPERATING EXPENSES

During the year the company provided an amount of £Nil (period ended 31 March 2011 - £161,000) against its investment in its subsidiary undertaking Kavanagh Systems Limited

4. OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Fees payable to the company's auditor for the audit of the company's accounts of £Nil (period ended 31 March 2011 - £1,700) were borne by another group undertaking

Amounts payable to the auditor in respect of non-audit services were £Nil (period ended 31 March 2011 - £Nil).

5. STAFF COSTS

There were no staff costs charged in either period. The average monthly number of employees (including directors) during the period was 2 (period ended 31 March 2011 - 2)

6. DIRECTORS' REMUNERATION

There were no directors' emoluments charged in either period

The emoluments of Sir Peter Rigby and Mr J P Rigby are paid by other group companies as their services to Kavanagh Enterprises Limited are incidental to their services provided to other group companies. However, the total emoluments for these directors are taken into account in the disclosure of directors' emoluments in the financial statements of Rigby Family Holdings Limited, the ultimate parent undertaking

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2012

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

There was no current or deferred tax charge during the year (period ended 31 March 2011 - £Nil)

The differences between the total current tax charge and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows

	Year ended 31 March 2012 £	11 months ended 31 March 2011 £
Profit on ordinary activities before tax	-	873,822
Tax on profit on ordinary activities at standard UK corporation tax rate of 26% (2011 - 28%)	-	244,670
Effects of		
Expenses not deductible for tax purposes	-	45,080
Income not taxable for tax purposes	-	(289,750)
Current tax charge for the period	-	-

The company earns its profits primarily in the UK, therefore the tax rate used for tax on profit on ordinary activities is the standard rate for UK corporation tax, currently 26%

The corporation tax rate reduced from 28% to 26% with effect from 1 April 2011. The Government previously announced that the main rate of corporation tax would reduce by a further 1% per annum to 23% with effect from 1 April 2014. On 17 July 2012, the Government announced that the tax rate would be reduced to 23% with effect from 1 April 2013, with a further annual 1% reduction to 22% by 1 April 2014. These tax rate reductions had not been enacted at the balance sheet date and therefore have not been reflected in these financial statements.

The legislation to reduce the tax rate to 24% with effect from 1 April 2012 was substantively enacted on 21 March 2012 and therefore has been reflected in the financial statements for the purpose of calculating deferred tax assets and liabilities (2011 - 26%). The effect of the further tax rate reductions on the deferred tax balance will be accounted for in the periods in which the future tax rate reductions are substantively enacted.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2012

8. DIVIDENDS

	Year ended 31 March 2012 £	11 months ended 31 March 2011 £
Interim paid dividend of £Nil (2011 - £989 10) per ordinary share	-	1,097,907

9 FIXED ASSET INVESTMENTS

Subsidiary undertakings

	£
Net book value at 31 March 2011 and 31 March 2012	64,000

The company holds 100% of the ordinary share capital of Kavanagh Systems Limited, a company incorporated and trading in the United Kingdom. Kavanagh Systems Limited provides IT consultancy services.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 March 2012 £	31 March 2011 £
Amounts owed to group undertakings	63,904	63,904

11. CALLED-UP SHARE CAPITAL

	31 March 2012 £	31 March 2011 £
<i>Authorised, allotted, called up and fully-paid</i> 1,110 (2011 - 1,110) ordinary shares of 10p each	111	111

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2012

12. RESERVES

	Capital redemption reserve £	Profit and loss account £	Total £
At 31 March 2011 and 31 March 2012	14	-	14

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	31 March 2012 £	31 March 2011 £
Profit for the financial year	-	873,822
Dividends (see note 8)	-	(1,097,907)
Shares issued	-	30
Net movement in shareholders' funds	-	(224,055)
Opening shareholders' funds	125	224,180
Closing shareholders' funds	125	125

14. ULTIMATE PARENT UNDERTAKING

The company is a subsidiary undertaking of the Specialist Computer Centres plc, a company registered in England and Wales

The results of Specialist Computer Centres plc are consolidated into those of an intermediate holding company, Specialist Computer Holdings plc, registered in England and Wales, whose principal place of business is at James House, Warwick Road, Birmingham, B11 2LE. The largest group of which the company is a member, and for which consolidated financial statements are drawn up, is that headed by Rigby Family Holdings Limited. Consolidated financial statements are available at James House, Warwick Road, Birmingham, B11 2LE.

As a subsidiary undertaking of Specialist Computer Centres plc, the company has taken advantage of the exemption in Financial Reporting Standard Number 8 from disclosing transactions with other members of the group headed by Rigby Family Holdings Limited.

15. ULTIMATE CONTROLLING BODY

Sir Peter Rigby, a director of Rigby Family Holdings Limited, controlled the company as a result of holding 79% of the issued ordinary share capital of Rigby Family Holdings Limited, the ultimate parent undertaking.