

ARKAY BUILDING SERVICES LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2007

Registered Number : 5310686

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SPAIN BROTHERS
CHARTERED ACCOUNTANTS

ARKAY BUILDING SERVICES LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST DECEMBER 2007**

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ARKAY BUILDING SERVICES LIMITED

COMPANY INFORMATION **FOR THE YEAR ENDED 31ST DECEMBER 2007**

DIRECTOR

Gregory Lynch

SECRETARY

D C Lynch

REGISTERED OFFICE

29 Manor Road
Folkestone
Kent
CT20 2SE

BANKERS

National Westminster Bank Plc
Europa House
49 Sandgate Road
Folkestone
Kent
CT20 1RU

ACCOUNTANTS

Spain Brothers & Co
Chartered Accountants
29 Manor Road
Folkestone
Kent
CT20 2SE

COMPANY NUMBER

5310686

ARKAY BUILDING SERVICES LIMITED

DIRECTOR'S REPORT **FOR THE YEAR ENDED 31ST DECEMBER 2007**

The director presents his report and the financial statements for the year ended 31st December 2007

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is general construction and refurbishments

DIRECTOR AND HIS INTEREST

The director who served during the year is stated at page 1

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which 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 year. In preparing these financial statements, the director is required to -

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. He is 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

AUDIT EXEMPTION


The directors have decided that the Company meets the requirements of S249A(1) of the Companies Act 1985 and is therefore exempt from the requirement to have its accounts audited

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

This report was approved by the Directors on 5th March 2008.

By Order of the Board



D C Lynch
Secretary

Barnstormers
Stone Street
Stanford North
Kent
TN25 6DF

5th March 2008

ARKAY BUILDING SERVICES LIMITED

PROFIT AND LOSS ACCOUNT **FOR THE YEAR ENDED 31ST DECEMBER 2007**

<u>Note</u>	<u>2007</u>	<u>2006</u>
1,2. <u>TURNOVER</u>	1,643,947	734,025
Cost of Sales	(1,395,357)	(636,108)
<u>GROSS PROFIT</u>	248,590	97,917
Administrative Expenses	(90,610)	(55,926)
3. <u>OPERATING PROFIT</u>	157,980	41,991
Other Interest Receivable and Similar Income	778	333
Interest Payable and Similar Charges	(2,049)	(2,324)
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>	156,709	40,000
5. Tax on Profit on Ordinary Activities	(32,770)	(7,939)
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION BEFORE DIVIDENDS</u>	£123,939	£32,061

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two years

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 6 to 9 form part of these financial statements

ARKAY BUILDING SERVICES LIMITED


BALANCE SHEET **AS AT 31ST DECEMBER 2007**

<u>Note</u>		<u>2007</u>	<u>2006</u>
	<u>FIXED ASSETS</u>		
6	Tangible Assets	15,561	16,586
	<u>CURRENT ASSETS</u>		
	Stocks	56,647	25,400
7.	Debtors	99,759	85,810
	Cash at Bank and in Hand	20,486	129
		176,892	111,339
8	<u>CREDITORS</u> - Amounts falling due within one year	(104,856)	(103,869)
	<u>NET CURRENT ASSETS</u>	72,036	7,470
	<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	87,597	24,056
9.	<u>CREDITORS</u> - Amounts falling due after more than one year	(19,194)	(21,609)
10.	<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>	(926)	(909)
	<u>NET ASSETS</u>	£67,477	£1,538
	<u>CAPITAL AND RESERVES</u>		
11.	Called Up Share Capital	100	100
12.	Profit and Loss Account	67,377	1,438
13.	<u>SHAREHOLDERS' FUNDS</u>	£67,477	£1,538

For the financial year ended 31st December 2007 the Company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985, and no notice has been deposited under section 249B(2). The Director acknowledges his responsibility for ensuring that the Company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the 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 Companies Act 1985, so far as applicable to the Company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Directors on 5th March 2008 and signed on their behalf by:-



Gregory Lynch - Director

The notes on pages 6 to 9 form part of these financial statements

ARKAY BUILDING SERVICES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST DECEMBER 2007**

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (Effective June 2002)

Turnover

Turnover represents the total invoice value, excluding valued added tax, of sales made during the year

Tangible Fixed Assets

The cost of tangible fixed assets includes only expenditure incurred in bringing the assets into working condition for their intended use. Depreciation is provided at the following annual rates in order to allocate the depreciable amount over its estimated useful life -

Plant and Machinery	- 25% reducing balance
Fixtures, Fittings and Equipment	- 25% reducing balance
Motor Vehicles	- 25% reducing balance

Stock and Work In Progress

Work In Progress is valued at the lower of cost and net realisable value

Deferred Taxation

Deferred tax is recognised in respect of all timing differences between profits computed for tax purposes and profits computed for these financial statements, except that a deferred tax asset is only recognised to the extent that it is regarded as recoverable. Deferred tax is calculated using the tax rate that is expected to apply in the periods in which the timing differences are expected to reverse

Provisions

Provisions are set up only where it is probable that a present obligation exists as a result of an event prior to the Balance Sheet date and that a payment will be required in settlement that can be reliably estimated

2. TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

3. OPERATING PROFIT

Operating Profit is stated after charging -

Depreciation and Other Amounts Written Off Tangible Assets

<u>2007</u>	<u>2006</u>
£5,183	£5,682

4. DIRECTORS' EMOLUMENTS

Remuneration and Other Benefits

<u>2007</u>	<u>2006</u>
£4,224	£6,703

ARKAY BUILDING SERVICES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST DECEMBER 2007 (Continued)**

5. **TAXATION**

The Taxation Charge is made up as follows:-

UK Corporation Tax on Results for the Year
Transfer to Deferred Taxation Account

<u>2007</u>	<u>2006</u>
32,753	7,695
17	244
£32,770	£7,939

Factors Affecting Tax Charge for the Year

The tax assessed for the year is higher than the standard rate of Corporation Tax in the United Kingdom for Small Companies.

The differences are explained below -

Profit on Ordinary Activities before Taxation

Profit on Ordinary Activities at Standard Rate of Corporation Tax for
Small Companies of 20% (2006 19%)

Effect of Small Companies Marginal Relief

Effect of Rate Change in Year

Expenses not Deductible for Tax Purposes

Excess of Depreciation over Capital Allowances

<u>2007</u>	<u>2006</u>
£156,709	£40,000
31,342	7,600
-	(105)
(375)	-
1,756	444
30	(244)
£32,753	£7,695

6 **TANGIBLE FIXED ASSETS**

At 1st January 2007

Additions

At 31st December 2007

Depreciation

At 1st January 2007

Charge for the Year

At 31st December 2007

Net Book Value

At 31st December 2007

At 31st December 2006

<u>Plant and Machinery</u>	<u>Fixtures, Fittings and Equipment</u>	<u>Motor Vehicles</u>	<u>Office Equipment</u>	<u>TOTAL</u>
6,019	563	19,108	949	26,639
738	-	3,420	-	4,158
£6,757	£563	£22,528	£949	£30,797
2,119	187	7,332	415	10,053
1,158	94	3,798	133	5,183
£3,277	£281	£11,130	£548	£15,236
£3,480	£282	£11,398	£401	£15,561
£3,900	£376	£11,776	£534	£16,586

ARKAY BUILDING SERVICES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST DECEMBER 2007 (Continued)**

7. **DEBTORS**

Trade Debtors
Prepayments and Accrued Income

<u>2007</u>	<u>2006</u>
96,470	84,361
3,289	1,449
£99,759	£85,810

8. **CREDITORS** - Amounts falling due within one year

Bank Overdraft
Bank Loan
Trade Creditors
Corporation Tax
Other Taxes and Social Security Costs
Director's Accounts
Accruals and Deferred Income

<u>2007</u>	<u>2006</u>
-	17,256
445	2,667
40,522	52,064
32,753	7,695
26,350	10,708
966	11,865
3,820	1,614
£104,856	£103,869

9. **CREDITORS** - Amounts falling due after more than one year

Bank Loan
Other Loan Account

<u>2007</u>	<u>2006</u>
-	445
19,194	21,164
£19,194	£21,609

10. **PROVISIONS FOR LIABILITIES AND CHARGES**

Deferred Tax

As at 1st January 2007
Transfer from Profit and Loss Account

<u>2007</u>	<u>2006</u>
909	665
17	244
£926	£909

11. **SHARE CAPITAL**

Authorised

100 Ordinary Shares of £1 each

<u>2007</u>	<u>2006</u>
£100	£100

Allotted, Called Up and Fully Paid

100 Ordinary Share of £1 each

<u>2007</u>	<u>2006</u>
£100	£100

ARKAY BUILDING SERVICES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST DECEMBER 2007 (Continued)**

12. PROFIT AND LOSS ACCOUNT

	<u>2007</u>	<u>2006</u>
Profit on Ordinary Activities After Taxation	123,939	32,061
Dividends	(58,000)	(36,900)
	65,939	(4,839)
Retained Profit Brought Forward	1,438	6,277
<u>Retained Profit Carried Forward</u>	<u>£67,377</u>	<u>£1,438</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2007</u>	<u>2006</u>
Profit for the Financial Year	123,939	32,061
Dividends	(58,000)	(36,900)
	65,939	(4,839)
Net Addition/(Reduction) to Shareholders' Funds	65,939	(4,839)
Opening Shareholders' Funds	1,538	6,377
<u>Closing Shareholders' Funds</u>	<u>£67,477</u>	<u>£1,538</u>