

Registration number FC015761 (England and Wales) 48612 (Jersey)

McKenna Arts Limited
Directors' report and financial statements
for the year ended 31 October 2014

David R Hazzard FCA
Chartered Accountant
Dobsons Farm
Sandygate Lane
Broughton
Preston
PR3 5LA

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McKenna Arts Limited

Company information for the year ended 31 October 2014

Directors	Mary Gabrielle Said Joseph Patrick McKenna Julian Marc Stukeley Hayden
Secretary	Mrs M G Said
Company number	FC015761 (England and Wales) 48612 (Jersey)
Registered office	Dobsons Farm Sandygate Lane Broughton Preston PR3 5LA
Accountants	David R Hazzard FCA Dobsons Farm Sandygate Lane Broughton Preston PR3 5LA
Business address	Carmel House 339 Garstang Road Fulwood Preston PR2 9UP
Bankers	Cooperative Bank plc Preston Businesss Centre 147 Church Street Preston PR1 3UD
Solicitors	Hawksford International 15 Esplanade St Helier, Jersey Channel Islands JE3 7EF

McKenna Arts Limited

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McKenna Arts Limited

Directors' report for the year ended 31 October 2014

The directors present their report and the financial statements for the year ended 31 October 2014

Principal activity

The principal activity of the company is that of dealing and investing in works of art and vintage motor vehicles

Directors

The directors who served during the year are as stated below

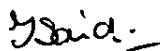
Mary Gabrielle Said

Joseph Patrick McKenna

Julian Marc Stukeley Hayden

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

This report was approved by the Board on 7 April 2015 and signed on its behalf by



Mrs M G Said
Secretary

McKenna Arts Limited

Profit and loss account for the year ended 31 October 2014

		2014	2013
	Notes	£	£
Turnover	2	69,398	-
Cost of sales		(113,181)	-
Gross (loss)/profit		(43,783)	-
Administrative expenses		(16,021)	(16,099)
Operating loss		(59,804)	(16,099)
Other interest receivable and similar income		8	1
Loss on ordinary activities before taxation		(59,796)	(16,098)
Tax on loss on ordinary activities		-	-
Loss for the year	9	(59,796)	(16,098)
Accumulated loss brought forward		(305,179)	(289,081)
Accumulated loss carried forward		(364,975)	(305,179)

The notes on pages 5 to 8 form an integral part of these financial statements.

McKenna Arts Limited

Balance sheet as at 31 October 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Tangible assets	4		103,476		213,684
Current assets					
Debtors	5	1,303		6,177	
Cash at bank and in hand		22,701		6,536	
		<u>24,004</u>		<u>12,713</u>	
Creditors: amounts falling due within one year	6	<u>(13,517)</u>		<u>(12,638)</u>	
Net current assets			<u>10,487</u>		<u>75</u>
Total assets less current liabilities			113,963		213,759
Creditors: amounts falling due after more than one year	7		<u>(473,938)</u>		<u>(513,938)</u>
Deficiency of assets			<u>(359,975)</u>		<u>(300,179)</u>
Capital and reserves					
Called up share capital	8		5,000		5,000
Profit and loss account	9		<u>(364,975)</u>		<u>(305,179)</u>
Shareholders' funds			<u>(359,975)</u>		<u>(300,179)</u>

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet

The notes on pages 5 to 8 form an integral part of these financial statements.

McKenna Arts Limited

Balance sheet (continued)

Directors' statements required by Sections 475(2) and (3) for the year ended 31 October 2014

For the year ended 31 October 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Directors' responsibilities

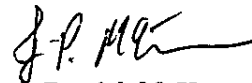
- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These accounts were approved by the directors on 7 April 2015, and are signed on their behalf by:



Mary Gabrielle Said
Director



Joseph Patrick McKenna
Director

Registration number FC015761 (England and Wales) 48612 (Jersey)

The notes on pages 5 to 8 form an integral part of these financial statements.

McKenna Arts Limited

Notes to the financial statements for the year ended 31 October 2014

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2. Turnover

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

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Works
of art

- No depreciation

1.4. Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

McKenna Arts Limited

Notes to the financial statements for the year ended 31 October 2014

continued

1.5. Going concern

The financial statements have been prepared on the basis that the company will continue to enjoy the benefit of the support of the Trustees of the J L McKenna Settlement and that sufficient funds will be made available for the company's activities to continue. The Trustees of the J L McKenna Settlement own the whole of the issued share capital of the company and have signed a Subordination Agreement in favour of the company creditors.

2. Turnover

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

3. Directors' remuneration

	2014 £	2013 £
Remuneration and other benefits	2,300	2,300

4. Tangible fixed assets

	Works of art £	Total £
Cost		
At 1 November 2013	213,684	213,684
Disposals	(110,208)	(110,208)
At 31 October 2014	103,476	103,476
Net book values		
At 31 October 2014	103,476	103,476
At 31 October 2013	213,684	213,684

5. Debtors

	2014 £	2013 £
Other debtors	359	526
Prepayments and accrued income	944	5,651
	1,303	6,177

McKenna Arts Limited

Notes to the financial statements for the year ended 31 October 2014

continued

6. Creditors: amounts falling due within one year	2014 £	2013 £
Other taxes and social security costs	1,225	460
Other creditors	5,219	5,219
Accruals and deferred income	7,073	6,959
	<u>13,517</u>	<u>12,638</u>
7. Creditors: amounts falling due after more than one year	2014 £	2013 £
Loans McKenna Trust and Underlying Companies	<u>473,938</u>	<u>513,938</u>
Loans		
Repayable in five years or more	<u>(473,938)</u>	<u>(513,938)</u>
The loans from the McKenna Trust and Underlying Companies who are related parties are interest free and unsecured		
8. Share capital	2014 £	2013 £
Authorised		
10,000 Ordinary shares of 1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
5,000 Ordinary shares of 1 each	<u>5,000</u>	<u>5,000</u>
Equity Shares		
5,000 Ordinary shares of 1 each	<u>5,000</u>	<u>5,000</u>

McKenna Arts Limited

Notes to the financial statements for the year ended 31 October 2014

continued

9. Reserves	Profit and loss account £	Total £
At 1 November 2013	(305,179)	(305,179)
Loss for the year	(59,796)	(59,796)
At 31 October 2014	<u>(364,975)</u>	<u>(364,975)</u>

10. Related party transactions

During the year the company has received a further loan from the J L McKenna Settlement, which owns 100% of the issued share capital of the company, in the amount of £10,000. During the year the company repaid part of the loan from the J L McKenna Settlement, which owns 100% of the issued share capital of the company, in the amount of £50,000. The balance on the loan at the year end amounted to £473,938 (2013 £513,938).