

C K HARWOOD AND SONS LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
31 MAY 2007



CHALMERS & CO (SW) LIMITED

Chartered Accountants
Trading as Chalmers & Co
6 The Linen Yard
South Street
Crewkerne
Somerset
TA18 8AB

C K HARWOOD AND SONS LIMITED

ABBREVIATED BALANCE SHEET

31 MAY 2007

	Note	2007	2006
		£	£
FIXED ASSETS	2		
Intangible assets		96,000	102,000
Tangible assets		10,014	14,016
		<u>106,014</u>	<u>116,016</u>
CURRENT ASSETS			
Stocks		740	1,306
Debtors		190,661	291,391
Cash at bank and in hand		150,547	116,932
		<u>341,948</u>	<u>409,629</u>
CREDITORS: Amounts falling due within one year		<u>107,835</u>	<u>134,226</u>
NET CURRENT ASSETS		234,113	275,403
TOTAL ASSETS LESS CURRENT LIABILITIES		340,127	391,419
CREDITORS: Amounts falling due after more than one year		199,033	224,033
		<u>141,094</u>	<u>167,386</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	6	6
Profit and loss account		141,088	167,380
SHAREHOLDERS' FUNDS		<u>141,094</u>	<u>167,386</u>

The Balance sheet continues on the following page.
The notes on pages 3 to 5 form part of these abbreviated accounts.

C K HARWOOD AND SONS LIMITED

ABBREVIATED BALANCE SHEET *(continued)*

31 MAY 2007

The directors are 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 year 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 directors acknowledge their responsibilities 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 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 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 by the directors on 26 March 2008 and are signed on their behalf by


C HARWOOD

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

C K HARWOOD AND SONS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MAY 2007

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)

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 - 20 Years SL

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

Leasehold Property Improvements	- 5 Years SL
Plant & Machinery	- 25% of NBV
Motor Vehicles	- 25% of NBV
Equipment	- 25% of NBV

Stocks

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

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

C K HARWOOD AND SONS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MAY 2007

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

In accordance with Financial Reporting Standard for Smaller Entities (effective January 2005) (FRSSE), the difference between the accounting treatment and tax treatment for depreciation in respect of accelerated capital allowances and other timing differences, is provided in full. Provision is made, or recovery anticipated, where timing differences have originated but not reversed by the balance sheet date.

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 June 2006	120,000	31,512	151,512
Additions	–	489	489
Disposals	–	(129)	(129)
At 31 May 2007	<u>120,000</u>	<u>31,872</u>	<u>151,872</u>
DEPRECIATION			
At 1 June 2006	18,000	17,496	35,496
Charge for year	6,000	4,437	10,437
On disposals	–	(75)	(75)
At 31 May 2007	<u>24,000</u>	<u>21,858</u>	<u>45,858</u>
NET BOOK VALUE			
At 31 May 2007	<u>96,000</u>	<u>10,014</u>	<u>106,014</u>
At 31 May 2006	<u>102,000</u>	<u>14,016</u>	<u>116,016</u>

C K HARWOOD AND SONS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MAY 2007

3. RELATED PARTY TRANSACTIONS

The company was under the control of the directors throughout the current and previous year

The following is a summary of the directors' transactions with the company

Clive Harwood

Balance due from the company at 31 May 2007 £75,699 (2006 £85,032)

No interest is charged on this loan

Dividends received from the company during the year amounted to £24,240 (2006 £24,207)

Michael Harwood

Balance due from the company at 31 May 2007 £78,469 (2006 £86,802)

No interest is charged on this loan

Dividends received from the company during the year amounted to £24,240 (2006 £24,207)

Chris Harwood

Balance due from the company at 31 May 2006 £79,275 (2006 £87,608)

No interest is charged on this loan

Dividends received from the company during the year amounted to £24,240 (2006 £24,207)

4. SHARE CAPITAL

Authorised share capital:

	2007	2006
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>