

Registration Number 1968621

Russ Andrews Accessories Ltd

Abbreviated Accounts

for the year ended 31 July 2001



Lowe and Whitwell
Chartered Accountants

Russ Andrews Accessories Ltd

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**Auditors' Report to Russ Andrews Accessories Ltd
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 3 to 6 together with the financial statements of Russ Andrews Accessories Ltd for the year ended 31 July 2001, prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing 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 accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

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 in respect of the year ended 31 July 2001, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.

Other information

On we reported as auditors of Russ Andrews Accessories Ltd to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 July 2001 and our audit report was as follows:

'We have audited the financial statements on pages 3 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historic cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 (see continuation page) the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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.

**Auditors' Report to Russ Andrews Accessories Ltd
under Section 247B of the Companies Act 1985**

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 of the state of the company's affairs as at 31 July 2001 and of its profit for the year then ended and have been properly prepared in accordance with the

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company and of the profit or loss of the company for that year. In preparing these the directors are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements based on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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. 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.



**Lowe & Whitwell
Chartered Accountants and
Registered Auditor**

**134, Highgate,
Kendal**

Russ Andrews Accessories Ltd

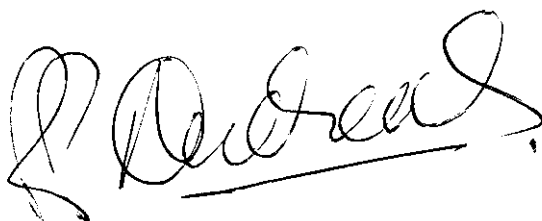
**Abbreviated Balance Sheet
as at 31 July 2001**

	Notes	2001 £	2000 £
Fixed Assets			
Tangible assets	2	305,596	251,221
Current Assets			
Stocks		197,665	224,728
Debtors		24,801	42,759
Cash at bank and in hand		49,418	11,311
		<u>271,884</u>	<u>278,798</u>
Creditors: amounts falling due within one year		<u>(278,557)</u>	<u>(301,344)</u>
Net Current Liabilities		<u>(6,673)</u>	<u>(22,546)</u>
Total Assets Less Current Liabilities		298,923	228,675
Creditors: amounts falling due after more than one year		<u>(220,682)</u>	<u>(160,588)</u>
Net Assets		<u><u>78,241</u></u>	<u><u>68,087</u></u>
Capital and Reserves			
Called up share capital	3	161,700	161,700
Share premium account		39,800	39,800
Profit and loss account		(123,259)	(133,413)
Shareholders' Funds		<u><u>78,241</u></u>	<u><u>68,087</u></u>

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

The abbreviated accounts were approved by the Board on 23 April 2002 and signed on its behalf by

R P Andrews
Director



The notes on pages 4 to 6 form an integral part of these financial statements.

Russ Andrews Accessories Ltd

**Notes to the Abbreviated Financial Statements
for the year ended 31 July 2001**

1. Accounting Policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention.

1.2. Turnover

Turnover is invoiced sales less returns exclusive of value added tax the majority of which is earned in the United Kingdom.

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:

Leasehold properties	-	Straight Line over the life of the lease
Fixtures, fittings and equipment	-	20% Straight Line
Motor vehicles	-	20% Straight Line
Demonstration stock	-	20% Straight Line

1.4. Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

1.6. Pensions

The pension costs charged in the financial statements represent the contributions deducted from employees salaries and paid over to independant Personal Pension Schemes on their behalf during the year.

1.7. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

Russ Andrews Accessories Ltd

**Notes to the Abbreviated Financial Statements
for the year ended 31 July 2001**

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2. Fixed assets		Tangible fixed assets £
Cost		
At 1 August 2000		372,925
Additions		129,360
At 31 July 2001		<u>502,285</u>
Depreciation		
At 1 August 2000		121,703
Charge for year		74,986
At 31 July 2001		<u>196,689</u>
Net book values		
At 31 July 2001		<u>305,596</u>
At 31 July 2000		<u>251,222</u>
 3. Share capital	 2001	 2000
	£	£
Authorised		
8,400 Ordinary shares of £1 each	8,400	8,400
160,000 5% Preference shares of £1 each	160,000	160,000
	<u>168,400</u>	<u>168,400</u>
 Allotted, called up and fully paid		
1,700 Ordinary shares of £1 each	1,700	1,700
160,000 5% Preference shares of £1 each	160,000	160,000
	<u>161,700</u>	<u>161,700</u>

The company will redeem the preference shares, paying £1 per share and any arrears and accruals of dividend on 31 July 2024. The company may redeem preference shares earlier, in blocks of not less than 10,000 shares, if the preference shareholders agree.

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**Notes to the Abbreviated Financial Statements
for the year ended 31 July 2001**

..... continued

13. Transactions with directors

The property from which the company trades is owned by the directors, R P & S J Andrews and is leased to the company on a five year lease at an annual rent of £19,923. The bank loans and overdraft facilities are guaranteed by the directors and are supported by legal charges over property and a life policy. The directors have also in this connection agreed a postponement of repayment of their loan accounts.