

**Rusts Limited**

**DIRECTORS' REPORT  
AND FINANCIAL STATEMENTS**

**FOR THE 52 WEEKS ENDED 24 JANUARY 2009**

**REGISTERED NO. 01397782**

WEDNESDAY



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## **Rusts Limited**

### **Directors' report and financial statements for the 52 weeks ended 24 January 2009**

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## **Rusts Limited**

### **Directors' report for the 52 weeks ended 24 January 2009**

The directors have the pleasure in presenting their annual report and the financial statements for the 52 weeks ended 24 January 2009.

#### **Principal activity**

The company did not trade during the year.

#### **Review of the business**

The company was dormant throughout the year and consequently has made neither a profit nor a loss.

The Midcounties Co-operative Limited is the ultimate holding society.

#### **Directors**

The directors of the company as at 24 January 2009, all of whom had held office for the whole of the year unless otherwise stated, were:-

J Boot                      E Parker                      V S Woodell

The following director resigned on 03 November 2008:

P H Gray

The following directors were appointed on 03 November 2008:

D Shaw

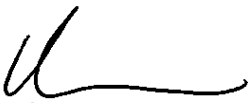
#### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make them aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**Approved by the Board of Directors  
And signed on behalf of the Board**



**E Parker**  
**Secretary**  
27 July 2009

## **Rusts Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then use and apply them consistently;
- make judgements and 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 accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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.

**Signed on behalf of the board of directors**



**Mr E Parker**  
**Secretary**

**Approved by the board: 27 July 2009**

**Independent Auditors' report to the members of  
Rusts Limited**

We have audited the financial statements of Rusts Limited for the 52 weeks ended 24 January 2009 which comprise the Profit and Loss Account and the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 of 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. 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 24 January 2009;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



**KPMG LLP**  
Chartered Accountants  
Registered Auditor  
Birmingham

27 July 2009

# **Rusts Limited**

## **Profit and Loss Account for the 52 weeks ended 24 January 2009**

	Note	2009 £'000	2008 £'000
<b>TURNOVER</b>	<b>2</b>	-	7,010
Cost of sales		-	(5,333)
<b>GROSS PROFIT</b>		-	1,677
Administrative expenses		-	(1,766)
Other operating income		-	58
<b>OPERATING LOSS</b>	<b>5</b>	-	(31)
Interest receivable		-	22
Interest payable		-	(4)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	(13)
Tax on loss on ordinary activities	<b>6</b>	-	(2)
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION BEING LOSS FOR THE YEAR</b>		-	(15)

There is no material difference between the result for the year stated above and its historical cost equivalent.  
The notes on pages 6 to 8 form an integral part of the financial statements.

All of the above results relate to discontinued operations.

# Rusts Limited

## Balance sheet as at 24 January 2009

	Note	2009 £'000	2008 £'000
<b>CURRENT ASSETS</b>			
Debtors	7	1,035	804
Bank and cash		<u>22</u>	<u>253</u>
		1,057	1,057
<b>NET CURRENT ASSETS</b>			
		1,057	1,057
<b>TOTAL ASSETS LESS CURRENT LIABILITIES BEING NET ASSETS</b>			
		<u>1,057</u>	<u>1,057</u>
<b>FINANCED BY:</b>			
Share capital	8	420	420
Capital redemption reserve	9	50	50
Revenue reserve	9	587	587
<b>SHAREHOLDERS' FUNDS</b>			
		<u>1,057</u>	<u>1,057</u>

Signed on behalf of the board of directors

Director

Approved by the board: 27 July 2009

## **Rusts Limited**

### **Notes to the financial statements for the 52 weeks ended 24 January 2009**

A summary of the more important accounting policies is set out below.

#### **1 Accounting policies**

##### **Basis of preparation**

The financial statements are prepared under the historical cost accounting convention and in accordance with applicable Accounting Standards in the United Kingdom.

##### **Turnover**

Turnover includes cash sales and goods sold on credit, exclusive of sales related taxes such as value added tax.

##### **Goodwill**

Purchased goodwill relating to businesses acquired is capitalised. Goodwill, being the difference between the fair value of the net assets acquired and the fair value of the consideration paid, is amortised from the date of acquisition over periods of five to ten years, being the estimated useful life.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	over the remaining period of the lease
Fixtures and fittings	15% straight line basis
Motor vehicles	25% straight line basis

##### **Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax provision is made on an undiscounted basis for all such timing differences except as otherwise required by FRS 19.

##### **Cash flow statement**

The company is a wholly owned subsidiary of The Midcounties Co-operative Limited. The cash flow of the company is included in the consolidated group cash flow statement of that Society. Consequently the company itself is exempt under FRS 1 (revised 1996) from publishing a cash flow statement.



# Rusts Limited

## Notes to the financial statements for the 52 weeks ended 24 January 2009

### 2 Turnover

Turnover consists entirely of sales made in the United Kingdom. The directors consider there to be only one class of business.

### 3 Directors' remuneration

The directors receive remuneration from The Midcounties Co-operative Limited in respect of their services to the company and receive no emoluments from the company. Their remuneration is reflected in the group financial statements of The Midcounties Co-operative Limited.

	2009 £'000	2008 £'000
Directors remuneration	-	212,604

### 4 Employees

All staff including directors are employed by the ultimate holding company The Midcounties Co-operative Limited from which staff costs are recharged. The emoluments of the directors are borne by the ultimate holding company.

	2009 £'000	2008 £'000
Salaries and wages	-	979,047
Social security costs	-	23,629
Other pension costs	-	4,702
	-	1,007,378

### 5 Operating loss

	2009 £'000	2008 £'000
The operating loss is stated after charging:		
Depreciation on tangible assets	-	92
Goodwill amortisation	-	14

The audit fee is met by the ultimate parent undertaking.

### 6 Taxation

	2009 £'000	2008 £'000
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#### (a) Revenue account - analysis of charge for the year

Deferred taxation	-	2
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#### Tax on losses on ordinary activities

	-	2
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#### (b) Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 20% (2008:19%). The differences are explained below:

	2009 £'000	2008 £'000
Loss on ordinary activities before tax	-	(13)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2008:19%)	-	(2)
Effects of:		
Expenses not deductible for tax purposes	-	2
Current tax charge for year (note 6(a))	-	-

# Rusts Limited

## Notes to the financial statements for the 52 weeks ended 24 January 2009

	2009 £'000	2008 £'000
<b>(c) Balance sheet</b>		
<b>Provision for deferred taxation:</b>		
Accelerated capital allowances	-	2
Amount included in debtors	-	2
Provision at start of period	-	-
Intragroup transfer	-	(2)
<b>Debtor at end of period</b>	-	-
<b>7 Debtors</b>		
	2009 £'000	2008 £'000
Amounts due to group undertakings	1,035	804
	<u>1,035</u>	<u>804</u>
<b>8 Share capital</b>		
	2009 £	2008 £
Authorised: 500,000 ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted and fully paid: 420,000 ordinary shares of £1 each	<u>420,000</u>	<u>420,000</u>
<b>9 Reserves</b>		
	Revenue reserve £'000	Capital redemption reserve £'000
At 27 January 2008	587	50
At 24 January 2009	<u>587</u>	<u>50</u>
<b>10 Reconciliation of movements in shareholders' funds</b>		
	2009 £'000	2008 £'000
Retained loss for the year	-	(15)
Net decrease in shareholders' funds	-	(15)
Shareholders' funds at start of year as previously reported	1,057	1,072
<b>Shareholders' funds at end of year</b>	<u>1,057</u>	<u>1,057</u>

## 11 Immediate and Ultimate parent undertaking and related party transactions

The directors regard The Midcounties Co-operative Limited as the ultimate parent and ultimate controlling entity. Copies of the parent's consolidated financial statements may be obtained from the Secretary, Co-operative House, 234 Botley Road, Oxford, OX2 0HP.