

Abbreviated Accounts for the Year Ended 31 January 2006

for

Retail Safers Ltd



Retail Safers Ltd

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for the Year Ended 31 January 2006

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Retail Safers Ltd

Company Information
for the Year Ended 31 January 2006

DIRECTORS: Mrs J E Ford
P Ford
R Rees

SECRETARY: R Rees

REGISTERED OFFICE: 2b Juno House
Calleva Park
Aldermaston
Berkshire
RG7 8RA

REGISTERED NUMBER: 2785353 (England and Wales)

AUDITORS: Kirkpatrick & Hopes Ltd
Registered Auditors
Overdene House
49 Church Street
Theale
Reading
Berkshire
RG7 5BX

Report of the Independent Auditors to
Retail Safers Ltd
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages five to seven, together with the full financial statements of the company for the year ended 31 January 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the 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 consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered 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 full 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, and the abbreviated accounts on pages five to seven are properly prepared in accordance with those provisions.

Other information

On 3 April 2006 we reported, as auditors to the shareholders of the company on the financial statements for the year ended 31 January 2006 prepared under Section 226 of the Companies Act 1985, and our report was as follows:

"We have audited the financial statements of Retail Safers Ltd for the year ended 31 January 2006 on pages six to eleven. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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 auditors' 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 on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom 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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Report of the Independent Auditors to
Retail Safers Ltd
Under Section 247B of the Companies Act 1985

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.

Going concern

In forming our opinion, we have considered the adequacy of the disclosure made in note 14 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £222,136 during the year ended 31 January 2006 and, at that date, the company's current liabilities exceeded its total assets by £275,792. These conditions, along with the other matters explained in note 14 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Report of the Independent Auditors to
Retail Safers Ltd
Under Section 247B of the Companies Act 1985

Adverse opinion arising from disagreement over accounting treatment

As stated in note 3 to the financial statements, £100,000 has been offset against cost of sales as compensation due from a major supplier for the costs of rectification work for a faulty product. There is no evidence available to show that this amount has been agreed by the supplier. In our opinion, there is reasonable doubt as to whether this amount will be receivable and therefore should be excluded from the financial statements.

As discussed in note 6 to the financial statements, no provision has been made against stock shown on the balance sheet. Due to a major customer no longer needing certain products substantial quantities of stock are held for certain items. These products are not obsolete as they could be sold to other potential customers, however at present no substantial sales have been made and stock movement is very slow, or non-existent, on these particular products. In our opinion full provisions should be made against these items, which total £27,996. Accordingly, stocks should be reduced by £27,996 and the loss for the year and retained earnings should be reduced by the same amount.

As mentioned in note 7 to the financial statements, included in trade debtors is an amount of £28,073 due from a company for items damaged or not returned after a trial. However, there is no evidence that this debt has been accepted by the company. In our opinion there is significant doubt as to whether this debt will ever be collected and as such full provision of £28,073 should be made.

In view of the effect of the failure to make the provisions referred to in the preceding paragraphs, in our opinion the financial statements do not give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 January 2006 and of its loss for the year then ended.

In all other respects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985. "

Kirkpatrick & Hopes

Kirkpatrick & Hopes Ltd
Registered Auditors
Overdene House
49 Church Street
Theale
Reading
Berkshire
RG7 5BX

3 April 2006

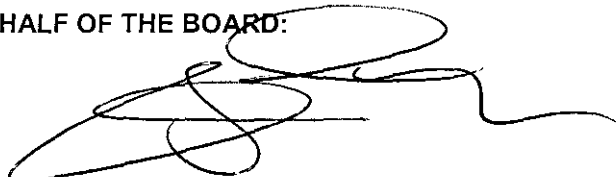
Retail Safers Ltd

Abbreviated Balance Sheet
31 January 2006

| | Notes | 31.1.06 £ | £ | 31.1.05 £ | £ |
|--|-------|----------------|-----------|----------------|----------|
| FIXED ASSETS | | | | | |
| Tangible assets | 2 | | 35,001 | | 43,956 |
| CURRENT ASSETS | | | | | |
| Stocks | | 124,963 | | 252,764 | |
| Debtors | | 197,189 | | 152,119 | |
| Cash at bank and in hand | | <u>31,358</u> | | <u>45,562</u> | |
| | | 353,510 | | 450,445 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 3 | <u>664,303</u> | | <u>548,057</u> | |
| NET CURRENT LIABILITIES | | | (310,793) | | (97,612) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | (275,792) | | (53,656) |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 4 | | 20,000 | | 20,000 |
| Profit and loss account | | | (295,792) | | (73,656) |
| SHAREHOLDERS' FUNDS | | | (275,792) | | (53,656) |

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

ON BEHALF OF THE BOARD:



R Rees - Director

Approved by the Board on 3 April 2006

The notes form part of these abbreviated accounts

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements are prepared in accordance with applicable accounting standards.

Accounting convention

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

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

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

| | |
|-----------------------|---------------------------|
| Plant and machinery | - 25% on reducing balance |
| Fixtures and fittings | - 25% on cost |
| Computer equipment | - 25% on reducing balance |

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Retail Safers Ltd

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 January 2006

2. TANGIBLE FIXED ASSETS

| | Total £ |
|-----------------------|---------------|
| COST | |
| At 1 February 2005 | 85,149 |
| Additions | <u>3,198</u> |
| At 31 January 2006 | <u>88,347</u> |
| DEPRECIATION | |
| At 1 February 2005 | 41,192 |
| Charge for year | <u>12,154</u> |
| At 31 January 2006 | <u>53,346</u> |
| NET BOOK VALUE | |
| At 31 January 2006 | <u>35,001</u> |
| At 31 January 2005 | <u>43,957</u> |

3. CREDITORS

The following secured debts are included within creditors:

| | 31.1.06 £ | 31.1.05 £ |
|----------------|---------------|---------------|
| Factored debts | <u>68,494</u> | <u>83,350</u> |

4. CALLED UP SHARE CAPITAL

| | | | | |
|-------------|----------|-------------------|---------------|---------------|
| Authorised: | | | | |
| Number: | Class: | Nominal value: | 31.1.06 £ | 31.1.05 £ |
| 50,000 | Ordinary | £1 | <u>50,000</u> | <u>50,000</u> |

| | | | | |
|----------------------|----------|-------------------|---------------|---------------|
| Allotted and issued: | | | | |
| Number: | Class: | Nominal value: | 31.1.06 £ | 31.1.05 £ |
| 20,000 | Ordinary | £1 | <u>20,000</u> | <u>20,000</u> |

5. FUNDAMENTAL UNCERTAINTY

The company meets its day to day working capital requirements partially through the support of its creditors, including an overdraft facility which is repayable on demand. The directors have considered the projected cash flow information for the company during the foreseeable post year-end period. On the basis of this cash flow information and discussions with the company's creditors and bankers, the directors consider that the company will continue to operate within the available finance facilities. However the margin of finance facilities over requirements is not large and, inherently there can be no certainty in relation to this matter. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the support of the company's creditors, or bankers.