

RA RICHARDSON (FURNISHINGS) LIMITED

Report of the Directors and

Consolidated Financial Statements for the year ended 31 October 2011

Brechin, Cole-Hamilton & Co
Chartered Accountants
34 West George Street
Glasgow
Strathclyde
G2 1DG

THURSDAY



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RA RICHARDSON (FURNISHINGS) LIMITED

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for the year ended 31 October 2011

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RA RICHARDSON (FURNISHINGS) LIMITED

Company Information
for the year ended 31 October 2011

DIRECTORS:	R A Richardson Mrs M E Richardson N C Richardson A W J Richardson
SECRETARY:	R A Richardson
REGISTERED OFFICE:	Fleming House 134 Renfrew Street GLASGOW G3 6ST
REGISTERED NUMBER:	SC089762 (Scotland)
ACCOUNTANTS:	Brechin, Cole-Hamilton & Co Chartered Accountants 34 West George Street Glasgow Strathclyde G2 1DG
BANKERS:	Clydesdale Bank plc 31 Braehead Beith KA15 1AG
SOLICITORS:	Brechin Tindal Oatts 48 St. Vincent Street GLASGOW G2 5HS

RA RICHARDSON (FURNISHINGS) LIMITED

Report of the Directors
for the year ended 31 October 2011

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2011.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of retailing of household furniture.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2010 to the date of this report.

R A Richardson
Mrs M E Richardson
N C Richardson
A W J Richardson

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
R A Richardson - Director

Date: 17th April 2012.

RA RICHARDSON (FURNISHINGS) LIMITED

Consolidated Profit and Loss Account
for the year ended 31 October 2011

	Notes	31.10.11 £	£	31.10.10 £	£
TURNOVER			2,655,044		2,808,455
Cost of sales			1,583,107		1,733,410
GROSS PROFIT			1,071,937		1,075,045
Distribution costs		1,030		-	
Administrative expenses		1,106,847		1,070,467	
			1,107,877		1,070,467
			(35,940)		4,578
Other operating income			16,337		17,426
OPERATING (LOSS)/PROFIT	2		(19,603)		22,004
Interest receivable and similar income			152		27
			(19,451)		22,031
Interest payable and similar charges			50,463		16,385
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(69,914)		5,646
Tax on (loss)/profit on ordinary activities	3		14		8,113
LOSS FOR THE FINANCIAL YEAR FOR THE GROUP			(69,928)		(2,467)

The notes form part of these financial statements

RA RICHARDSON (FURNISHINGS) LIMITED

**Consolidated Balance Sheet
31 October 2011**

	Notes	31.10.11 £	£	31.10.10 £	£
FIXED ASSETS					
Intangible assets	5		-		-
Tangible assets	6		2,169,315		1,056,479
Investments	7		-		-
			<u>2,169,315</u>		<u>1,056,479</u>
CURRENT ASSETS					
Stocks		715,705		699,085	
Debtors	8	64,460		36,923	
Cash at bank and in hand		13,697		347	
		<u>793,862</u>		<u>736,355</u>	
CREDITORS					
Amounts falling due within one year	9	660,952		740,746	
NET CURRENT ASSETS/(LIABILITIES)			<u>132,910</u>		<u>(4,391)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,302,225</u>		<u>1,052,088</u>
CREDITORS					
Amounts falling due after more than one year	10		1,417,238		97,173
NET ASSETS			<u>884,987</u>		<u>954,915</u>
CAPITAL AND RESERVES					
Called up share capital	11		25,000		25,000
Revaluation reserve	12		498,394		508,777
Profit and loss account	12		361,593		421,138
SHAREHOLDERS' FUNDS			<u>884,987</u>		<u>954,915</u>

The company and the group are entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2011.

The members have not required the group to obtain an audit of its financial statements for the year ended 31 October 2011 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the the group keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company and the group as at the end of each financial year and of the group's profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company and the group.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 14th April 2012 and were signed on its behalf by:


R A Richardson - Director

RA RICHARDSON (FURNISHINGS) LIMITED

**Company Balance Sheet
31 October 2011**

	Notes	31.10.11 £	£	31.10.10 £	£
FIXED ASSETS					
Intangible assets	5		-		-
Tangible assets	6		1,023,188		1,050,495
Investments	7		1		1
			<u>1,023,189</u>		<u>1,050,496</u>
CURRENT ASSETS					
Stocks		324,370		424,458	
Debtors	8	42,898		47,035	
Cash in hand		197		256	
		<u>367,465</u>		<u>471,749</u>	
CREDITORS					
Amounts falling due within one year	9	714,487		689,215	
NET CURRENT LIABILITIES			<u>(347,022)</u>		<u>(217,466)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>676,167</u>		<u>833,030</u>
CREDITORS					
Amounts falling due after more than one year	10		6,610		97,173
NET ASSETS			<u>669,557</u>		<u>735,857</u>
CAPITAL AND RESERVES					
Called up share capital	11		25,000		25,000
Revaluation reserve	12		498,394		508,777
Profit and loss account	12		146,163		202,080
SHAREHOLDERS' FUNDS			<u>669,557</u>		<u>735,857</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2011.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2011 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 19th April 2012 and were signed on its behalf by:


R A Richardson - Director

RA RICHARDSON (FURNISHINGS) LIMITED

Notes to the Consolidated Financial Statements
for the year ended 31 October 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

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

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2006, is being amortised evenly over its estimated useful life of three years.

Tangible fixed assets

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

Land and buildings	- 2% on cost
Plant and machinery etc	- 33% on cost, 25% on reducing balance, 20% on reducing balance and 4% on cost

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.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

2. OPERATING (LOSS)/PROFIT

The operating loss (2010 - operating profit) is stated after charging/(crediting):

	31.10.11 £	31.10.10 £
Depreciation - owned assets	51,491	47,683
Profit on disposal of fixed assets	(4,028)	(494)
Pension costs	10,319	5,319
	<u>112,168</u>	<u>126,142</u>
Directors' remuneration and other benefits etc	<u>112,168</u>	<u>126,142</u>

3. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the year was as follows:

	31.10.11 £	31.10.10 £
Current tax:		
UK corporation tax	-	8,114
Overprovision	14	(1)
	<u>14</u>	<u>8,113</u>
Tax on (loss)/profit on ordinary activities	<u>14</u>	<u>8,113</u>

4. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(66,300) (2010 - £(48,898)).

RA RICHARDSON (FURNISHINGS) LIMITED

**Notes to the Consolidated Financial Statements - continued
for the year ended 31 October 2011**

5. INTANGIBLE FIXED ASSETS

Group

COST

At 1 November 2010
and 31 October 2011

**Goodwill
£**

15,000

AMORTISATION

At 1 November 2010
and 31 October 2011

15,000

NET BOOK VALUE

At 31 October 2011

-

At 31 October 2010

-

6. TANGIBLE FIXED ASSETS

Group

COST OR VALUATION

At 1 November 2010
Additions
Disposals

**Land and
buildings
£**

**Plant and
machinery
etc
£**

**Totals
£**

1,000,000

316,682

1,316,682

1,039,723

140,486

1,180,209

-

(35,567)

(35,567)

At 31 October 2011

2,039,723

421,601

2,461,324

DEPRECIATION

At 1 November 2010
Charge for year
Eliminated on disposal

20,000

240,203

260,203

20,000

31,491

51,491

-

(19,685)

(19,685)

At 31 October 2011

40,000

252,009

292,009

NET BOOK VALUE

At 31 October 2011

1,999,723

169,592

2,169,315

At 31 October 2010

980,000

76,479

1,056,479

Cost or valuation at 31 October 2011 is represented by:

	Land and buildings £	Plant and machinery etc £	Totals £
Valuation in 2009	344,267	-	344,267
Cost	1,695,456	421,601	2,117,057
	2,039,723	421,601	2,461,324

RA RICHARDSON (FURNISHINGS) LIMITED

Notes to the Consolidated Financial Statements - continued
for the year ended 31 October 2011

6. TANGIBLE FIXED ASSETS - continued

Company

	Land and buildings £	Plant and machinery etc £	Totals £
COST OR VALUATION			
At 1 November 2010	1,000,000	297,815	1,297,815
Additions	-	29,662	29,662
Disposals	-	(35,567)	(35,567)
At 31 October 2011	1,000,000	291,910	1,291,910
DEPRECIATION			
At 1 November 2010	20,000	227,320	247,320
Charge for year	20,000	21,087	41,087
Eliminated on disposal	-	(19,685)	(19,685)
At 31 October 2011	40,000	228,722	268,722
NET BOOK VALUE			
At 31 October 2011	960,000	63,188	1,023,188
At 31 October 2010	980,000	70,495	1,050,495

Cost or valuation at 31 October 2011 is represented by:

	Land and buildings £	Plant and machinery etc £	Totals £
Valuation in 2009	344,267	-	344,267
Cost	655,733	291,910	947,643
	1,000,000	291,910	1,291,910

If heritable property had not been revalued it would have been included at the following historical cost:

	31.10.11 £	31.10.10 £
Cost	655,733	655,733
Aggregate depreciation	174,893	174,893

Heritable property was valued on a market value basis on 31 October 2009 by Messrs Cushman & Wakefield.

7. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 November 2010 and 31 October 2011	1
NET BOOK VALUE	
At 31 October 2011	1
At 31 October 2010	1

RA RICHARDSON (FURNISHINGS) LIMITED

Notes to the Consolidated Financial Statements - continued
for the year ended 31 October 2011

7. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

Hunter Furnishings Limited

Nature of business: Household furniture retailers

Class of shares:	% holding	31.10.11	31.10.10
Ordinary Shares	100.00	£	£
Aggregate capital and reserves		215,431	219,057
(Loss)/Profit for the year		(3,626)	46,429

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.10.11	31.10.10	31.10.11	31.10.10
	£	£	£	£
Other debtors	64,460	36,923	42,898	47,035

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.10.11	31.10.10	31.10.11	31.10.10
	£	£	£	£
Bank loans and overdrafts	105,485	174,791	132,366	228,283
Hire purchase contracts	15,373	16,832	13,720	16,832
Trade creditors	299,881	212,106	151,104	224,082
Taxation and social security	43,632	54,757	44,329	36,699
Other creditors	196,581	282,260	372,968	183,319
	660,952	740,746	714,487	689,215

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.10.11	31.10.10	31.10.11	31.10.10
	£	£	£	£
Bank loans	1,404,983	86,692	-	86,692
Hire purchase contracts	12,255	10,481	6,610	10,481
	1,417,238	97,173	6,610	97,173

Amounts falling due in more than five years:

	Group	
	31.10.11	31.10.10
	£	£
Repayable by instalments		
Bank loans more 5 yr by instal	1,124,183	-

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.10.11	31.10.10
Number:	Class:	Nominal value:	£	£
25,000	Ordinary shares	£1	25,000	25,000

RA RICHARDSON (FURNISHINGS) LIMITED

Notes to the Consolidated Financial Statements - continued
for the year ended 31 October 2011

12. **RESERVES**

Group

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 November 2010	421,138	508,777	929,915
Deficit for the year	(69,928)		(69,928)
Amortisation of revaluation reserve	10,383	(10,383)	-
At 31 October 2011	<u>361,593</u>	<u>498,394</u>	<u>859,987</u>

Company

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 November 2010	202,080	508,777	710,857
Deficit for the year	(66,300)		(66,300)
Amortisation of revaluation reserve	10,383	(10,383)	-
At 31 October 2011	<u>146,163</u>	<u>498,394</u>	<u>644,557</u>

13. **ULTIMATE CONTROLLING PARTY**

The company is under the ultimate control of Mr & Mrs R A Richardson.

RA RICHARDSON (FURNISHINGS) LIMITED

Report of the Accountants to the Members of
RA RICHARDSON (FURNISHINGS) LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 October 2011 set out on pages three to ten and you consider that the company and the group are exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Brechin, Cole-Hamilton & Co
Chartered Accountants
34 West George Street
Glasgow
Strathclyde
G2 1DG

Date: 17 April 12