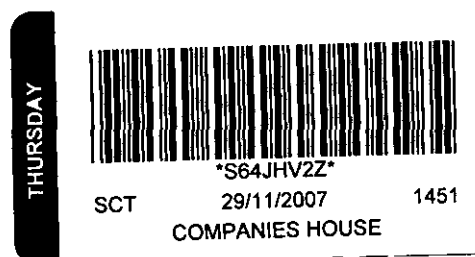


**HIGHLAND HOUSE OF FRASER LIMITED  
UNAUDITED ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 JANUARY 2007**

**Company Registration Number SC262923**



**Tenon Limited**  
Accountants & Business Advisers  
10 Ardross Street  
Inverness  
IV3 5NS

**HIGHLAND HOUSE OF FRASER LIMITED**  
**ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 JANUARY 2007**

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# HIGHLAND HOUSE OF FRASER LIMITED

## ABBREVIATED BALANCE SHEET

31 JANUARY 2007

	Note	2007 £	£	2006 £	£
<b>Fixed assets</b>	2				
Intangible assets			96,064		96,650
Tangible assets			71,680		81,892
			<u>167,744</u>		<u>178,542</u>
<b>Current assets</b>					
Stocks		172,049		154,874	
Debtors		1,713		162,217	
Cash at bank and in hand		121,110		57,734	
		<u>294,872</u>		<u>374,825</u>	
<b>Creditors. Amounts falling due within one year</b>	3	(85,941)		(76,202)	
<b>Net current assets</b>			208,931		298,623
<b>Total assets less current liabilities</b>			<u>376,675</u>		<u>477,165</u>
<b>Creditors: Amounts falling due after more than one year</b>	4		(404,575)		(460,459)
<b>Provisions for liabilities</b>			(5,917)		
			<u>(33,817)</u>		<u>16,706</u>
<b>Capital and reserves</b>					
Called up share capital	6		2		2
Profit and loss account			(33,819)		16,704
<b>Shareholders' funds</b>			<u>(33,817)</u>		<u>16,706</u>

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

# HIGHLAND HOUSE OF FRASER LIMITED

## ABBREVIATED BALANCE SHEET *(continued)*

31 JANUARY 2007

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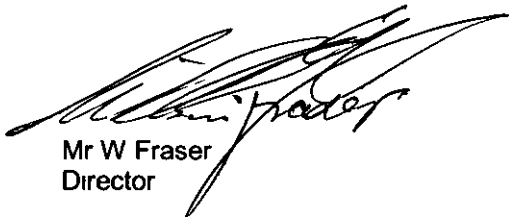
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) 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 and authorised for issue on 28/11/07, and are signed on their behalf by



Mr W Fraser  
Director

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

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**HIGHLAND HOUSE OF FRASER LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 JANUARY 2007**

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**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)

**Fundamental accounting concept - going concern**

These financial statements have been prepared on a going concern basis. The directors of the company have confirmed that the directors loan account detailed in the financial statements will not be recalled within 12 months of the date of approval of these accounts and therefore it is appropriate to prepare the financial statements on a going concern basis.

**Turnover**

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax.

**Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

**Intangible fixed assets**

Intangible fixed assets are stated at cost, being purchase price, less amortisation.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Goodwill	5% on cost
Intangible asset	20% on cost

**Tangible fixed assets**

Tangible fixed assets are stated at cost, being purchase price, less depreciation.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Fixtures & Fittings	10% on cost
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**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost comprises all direct expenditure incurred in bringing stock to its current location and condition.

**HIGHLAND HOUSE OF FRASER LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 JANUARY 2007**

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**1 Accounting policies (continued)**

**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

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at 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**

	<b>Intangible Assets £</b>	<b>Tangible Assets £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 February 2006	107,000	102,114	209,114
Additions	5,955	–	5,955
At 31 January 2007	<u>112,955</u>	<u>102,114</u>	<u>215,069</u>
<b>Depreciation</b>			
At 1 February 2006	10,350	20,222	30,572
Charge for year	6,541	10,212	16,753
At 31 January 2007	<u>16,891</u>	<u>30,434</u>	<u>47,325</u>
<b>Net book value</b>			
At 31 January 2007	<u>96,064</u>	<u>71,680</u>	<u>167,744</u>
At 31 January 2006	<u>96,650</u>	<u>81,892</u>	<u>178,542</u>

**HIGHLAND HOUSE OF FRASER LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 JANUARY 2007**

**3. Creditors Amounts falling due within one year**

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2007	2006
	£	£
Bank loans and overdrafts	<u>27,018</u>	<u>32,983</u>

**4 Creditors: Amounts falling due after more than one year**

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2007	2006
	£	£
Bank loans and overdrafts	<u>140,741</u>	<u>162,963</u>

**5 Related party transactions**

At the year end the company owed the directors £263,833 (2006 £262,233) During the year the company paid expenses on behalf of the directors of £46,489 (2006 £15269) and the directors paid expenses on behalf of the company of £ 810 (2006 £84,268) Also during the year the directors charged an amount of £47,280 (2006 £46,125) for rent of the business property to Highland House of Fraser Limited

At the year end, Highlandwear Direct Limited, a company under common control, owed £Nil (2006 £159,026) in total to Highland House of Fraser Limited The balance due at the year end of £151,738 was written off in full

During the year the company charged a management fee of £12,000 (2006 Nil), in respect of administration and accountancy services provided, to Moray Firth Motors Limited, a company under common control

**6. Share capital**

**Authorised share capital.**

	2007	2006
	£	£
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

**Allotted, called up and fully paid.**

	2007		2006
	No	£	No
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>

**7. Controlling party**

During the current and previous period the company was controlled by Mr W Fraser and Mrs S N Fraser, directors of the company