

A & E VENTURES LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM
20 APRIL 2006
TO
31 MAY 2007
COMPANY NUMBER SC301052



A & E VENTURES LIMITED
COMPANY INFORMATION

Directors	Peter Trainer Corporate Services Limited (appointed and resigned 20 April 2006) Mrs A Smith (appointed 20 April 2006) Mrs E Wilkinson (appointed 20 April 2006)
Company secretary	Peter Trainer Company Secretaries Limited (appointed and resigned 20 April 2006) Mrs E Wilkinson (appointed 20 April 2006)
Company number	SC 301052
Registered office	Colquhoun Farmhouse Glenkindie Alford Aberdeenshire AB33 8SU
Reporting accountants	Cassie & Co 5 High Street Inverurie AB51 3QA

A & E VENTURES LIMITED
DIRECTOR'S REPORT FOR THE PERIOD ENDED 31 MAY 2007

The directors presents their report and the financial statements for the period ended 31 May 2007

Principal activity

The company's principal activity is the retail of clothing

Commencement of trading

The company was incorporated on 20 April 2006 and commenced trading on 21 June 2006

Directors

The directors who served during the year were as follows

Peter Trainer Corporate Services Limited
Mrs A Smith
Mrs E Wilkinson

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements 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

Reporting accountants

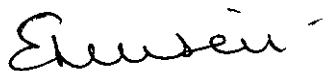
The company is exempt from audit in the current year. Cassie & Co. were appointed as reporting accountants during the period.

Small company rules

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

This report was approved by the board on 12 December 2007 and signed on its behalf

Mrs E Wilkinson
Company secretary



**ACCOUNTANT'S REPORT ON THE UNAUDITED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF
A & E VENTURES LIMITED**

We report on the financial statements for the period ended 31 May 2007 set out on pages 6 11

Respective responsibilities of directors and reporting accountants

As described on page 4 the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to report our opinion.

Going concern

We have prepared the accounts on a going concern basis despite the company's creditors being in excess of all available assets. We have agreed to this given the representation you have made regarding the company's ability to continue trading for the following twelve months and your continued ability to support the company's debt.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985,
- (b) having regard only to, and on the basis of, the information contained in those accounting records
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories not entitled to the exemption specified in section 249B(1)


Cassie & Co
5 High Street
Inverurie
AB51 3QA

12 December 2007

A & E VENTURES LIMITED
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MAY 2007

	Notes	2007 £
Turnover	1	79,401
Cost of sales		<u>(60,841)</u>
Gross profit		18,560
Administrative expenses		<u>(44,992)</u>
Operating loss	2	(26,432)
Interest receivable		86
Interest payable		<u>(1,616)</u>
Loss for the financial period		<u><u>(27,962)</u></u>

A & E VENTURES LIMITED
BALANCE SHEET AS AT 31 MAY 2007

	Notes	2007 £
Fixed assets		
Intangible assets	4	27,200
Tangible assets	5	22,719
		<u>49,919</u>
Current assets		
Stock	6	76,470
Debtors	7	18,061
Cash at bank and in hand		7,464
		<u>101,995</u>
Creditors amounts falling due within one year	8	<u>(166,549)</u>
Net current liabilities		<u>(64,554)</u>
Total assets less current liabilities		<u>(14,635)</u>
Creditors amounts falling due after more than one year	9	<u>(13,325)</u>
Net liabilities		<u><u>(27,960)</u></u>
Capital and reserves		
Called up share capital	11	2
Profit and loss account	12	(27,962)
Shareholders' deficit		<u><u>(27,960)</u></u>

The directors consider that the company is entitled to exemption from audit under subsection 1 of section 249A of the Companies Act 1985 for the period ended 31 May 2007. No member has deposited a notice under section 249B(2) requiring an audit for the period ended 31 May 2007.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 May 2007 and of its loss for the period then ended in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Act 1985 relating to the financial statements, so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) were approved by the board on 12 December 2007 and signed on its behalf.



Mrs A Smith
Director

A & E VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2007

1 Accounting policies

Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts and VAT. Turnover is recognised when the service has been provided and all obligations to the customer have been fulfilled.

Intangible assets

Franchise fees are recognised in the balance sheet and are amortised to the profit and loss account over their estimated economic life of 5 years.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Tenants improvements 10% straight line

Furniture and fittings 20% straight line

Stock

Stocks are stated at the lower of cost and net realisable value. Cost includes materials only. Net realisable value is based on estimated selling price less all relevant marketing, selling and distribution costs.

Hire purchase commitments

Assets acquired under hire purchase agreements are capitalised in the financial statements and written off over their expected useful lives.

Operating lease rental payments are charged to the profit and loss account over the period of the lease as incurred.

Deferred taxation

The charge for deferred taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

2 Operating loss

	2007
	£
Operating loss is stated after charging	
Amortisation	6,800
Depreciation	<u>3,319</u>

A & E VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2007

4 Intangible assets

	Franchise fees
Cost	
Additions	34,000
At 31 May 2007	<u>34,000</u>
Amortisation	
Charge for the period	6,800
At 31 May 2007	<u>6,800</u>
Net book value	
At 31 May 2007	<u>27,200</u>

5 Tangible fixed assets

	Tenants improvements £	Furniture and fittings £	Total £
Cost			
Additions	18,843	7,195	26,038
At 31 May 2007	<u>18,843</u>	<u>7,195</u>	<u>26,038</u>
Depreciation			
Charge for the period	1,883	1,436	3,319
At 31 May 2007	<u>1,883</u>	<u>1,436</u>	<u>3,319</u>
Net book value			
At 31 May 2007	<u>16,960</u>	<u>5,759</u>	<u>22,719</u>

6 Stock

	2007 £
Goods for resale	<u>76,470</u>

7 Debtors

	2007 £
Trade debtors	1,740
Other debtors	7,869
Prepayments	8,452
	<u>18,061</u>

A & E VENTURES LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2007****8 Creditors amounts falling due within one year**

	2007
	£
Bank loan (secured)	5,594
Trade creditors	71,452
Other creditors	8,848
Social security and other taxes	177
Other loan	8,200
Directors' loan accounts	72,278
	<u>166,549</u>

9 Creditors amounts falling due after more than one year

	2007
	£
Bank loan repayable in 1 to 2 years (secured)	5,594
repayable in 2 to 5 years (secured)	7,731
	<u>13,325</u>

10 Share capital

	2007
	£
Authorised	
100 ordinary shares of £1 each	<u>100</u>
Allotted, called up and fully paid	
2 ordinary shares of £1 each	<u>2</u>

During the period the company issued 2 ordinary shares of £1 each at par

11 Profit and loss account

	Total
	£
Loss for the financial period	(27,962)
At 31 May 2007	<u>(27,962)</u>

12 Other commitments

At 31 May 2007, the company had annual commitments under non cancellable operating leases as follows

	2007
	£
Expiry date	
Within 2 to 5 years	<u>21,687</u>

A & E VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2007

13 Related party transactions

During the period the company was under the control of Mrs A Smith and Mrs E Wilkinson, the sole directors and shareholders of the company

During the period the company received loan funds from Future Forestry Limited, a company in which Mrs A Smith is a Director. The amount due to Future Forestry Limited at 31 May 2007 was £8,200

14 Going concern

The balance sheet shows that liabilities exceed assets by £27,960 including liabilities of £72,278 due to the directors. The directors have confirmed that they will maintain their financial support for the foreseeable future to enable the company to continue normal trading operations. The financial statements are therefore drawn up on a going concern basis