

**COMPANY SHOP LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

Company Registration Number 1927437

RSM Tenon Limited
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

FRIDAY



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COMPANY SHOP LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

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COMPANY SHOP LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 30 SEPTEMBER 2011

The directors present their report and the financial statements of the company for the year ended 30 September 2011

Principal activities and business review

The principal activity of the company during the year was that of wholesalers and reproducers of food products

During the course of the year the company grew by 6% in terms of turnover

At the year end the company had shareholders' funds of £4,356,000 including distributable profits of £3,835,000. The directors therefore believe the company's position to be satisfactory especially as the company's current assets exceed its current liabilities by £220,000

The directors have assessed the main risks facing the company as being increased competition from supermarkets selling cheaper food and overstocking. The directors believe that their growth strategy, and focus on selling and customer service, will help mitigate these risks and hope to see continued growth and satisfactory trading results in the coming year

Results and dividends

The profit for the year, after taxation, amounted to £832,000. Particulars of dividends paid are detailed in note 6 to the financial statements

Financial risk management objectives and policies

The company finances its operations through a mixture of retained profits, and where necessary, through short term borrowings

The management's objectives are to

- retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due whilst maximising returns on surplus of funds,
- minimise the company's exposure to fluctuating interest rates when seeking new borrowings, and
- match the repayment schedule of any external borrowings or overdrafts with the expected future cash flow expected to arise from the company's trading activities

Hedge accounting is not used by the company

As all the company's funds are invested in sterling bank deposit accounts and its borrowings are all obtained from standard bank loan accounts and using standard overdraft facilities there is no price risk exposure

The company's funds are held primarily in short term variable rate deposit accounts. The directors believe that this gives them the flexibility to release cash resources at short notice and also allows them to take advantage of changing conditions in the finance markets as they arise. All deposits are with reputable UK banks and the directors believe their choice of bank minimises any credit risk associated with not placing funds on deposit with a UK clearing bank

Directors

The directors who served the company during the year were as follows

Mr J Marren
Mr L Wood
Mr M A Game

Mr M A Game was appointed as a director on 1 January 2011

COMPANY SHOP LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 SEPTEMBER 2011

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or 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, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disabled employees

In line with the policy on equal opportunities, the company endeavours to fulfill its responsibilities towards disabled persons. Active consideration is given to the employment of disabled persons and all such vacancies are advertised to the appropriate Job Centre to assist in this matter.

Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

COMPANY SHOP LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 SEPTEMBER 2011

Employee involvement

The company recognises the importance of employee involvement in increasing employees' understanding of the organisation, utilising their talents, enabling them to influence decisions and thereby encouraging commitment to the goals of the organisation

The company believes that such involvement will improve efficiency and quality, increase job satisfaction and encourage an environment of co-operation

In recognition of the importance of employee involvement, the company has devoted considerable time and effort to ensuring that employees are well informed about those aspects of its business which affect them

Through such employee involvement, success of the company will be ensured by effective team work leading to a consequential sharing of the rewards by all employees

Auditor

RSM Tenon Audit Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006

Registered office
New Road
Tankersley
Barnsley
South Yorkshire
S75 3BQ

Signed on behalf of the directors



Mr M A Game
Director

Approved by the directors on

28/2/12

COMPANY SHOP LIMITED
INDEPENDENT AUDITOR'S REPORT TO COMPANY SHOP LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, together with the financial statements of Company Shop Limited for the year ended 30 September 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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 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 for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Christopher Moss, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited

RSM Tenon Audit Limited
Statutory Auditor
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

Date

5/3/12

COMPANY SHOP LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2011

	Note	2011 £000	2010 £000
Turnover		16,446	15,481
Cost of Sales and Other operating income		(6,998)	(6,672)
Distribution costs		(685)	(581)
Administrative expenses		(7,571)	(6,806)
Operating profit	2	<u>1,192</u>	<u>1,422</u>
Interest receivable		1	2
Profit on ordinary activities before taxation		<u>1,193</u>	<u>1,424</u>
Tax on profit on ordinary activities	5	(361)	(389)
Profit for the financial year		<u><u>832</u></u>	<u><u>1,035</u></u>

All of the activities of the company are classed as continuing

Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of £832,000 attributable to the shareholders for the year ended 30 September 2011 (2010 - profit of £1,035,000)

The notes on pages 9 to 16 form part of these abbreviated accounts

COMPANY SHOP LIMITED
NOTE OF HISTORICAL COST PROFITS AND LOSSES
YEAR ENDED 30 SEPTEMBER 2011

	2011	<i>2010</i>
	£000	<i>£000</i>
Reported profit on ordinary activities before taxation	1,193	1,424
Difference between a historical cost depreciation charge and the actual amount charge based on the revalued amount	<u>12</u>	<u>12</u>
Historical cost profit on ordinary activities before taxation	<u>1,205</u>	<u>1,436</u>
Historical cost profit for the year		
After taxation	<u>844</u>	<u>1,047</u>

The notes on pages 9 to 16 form part of these abbreviated accounts

COMPANY SHOP LIMITED

Registered Number 1927437

ABBREVIATED BALANCE SHEET**30 SEPTEMBER 2011**

	Note	£000	2011 £000	£000	2010 £000
Fixed assets					
Tangible assets	7		4,291		3,736
Current assets					
Stocks	8	1,181		1,175	
Debtors	9	580		653	
Cash at bank and in hand		663		1,384	
		<u>2,424</u>		<u>3,212</u>	
Creditors: Amounts falling due within one year	10	<u>(2,208)</u>		<u>(2,627)</u>	
Net current assets			216		585
Total assets less current liabilities			<u>4,507</u>		<u>4,321</u>
Provisions for liabilities					
Deferred taxation	11		<u>(155)</u>		<u>(134)</u>
			<u>4,352</u>		<u>4,187</u>
Capital and reserves					
Called-up share capital	15		50		50
Revaluation reserve	16		471		483
Profit and loss account	17		3,831		3,654
Shareholders' funds	18		<u>4,352</u>		<u>4,187</u>

These abbreviated accounts have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on *28th Feb 2012.* and are signed on their behalf by



Mr J Marren
Director

The notes on pages 9 to 16 form part of these abbreviated accounts

COMPANY SHOP LIMITED
CASH FLOW STATEMENT
YEAR ENDED 30 SEPTEMBER 2011

	Note	£000	2011 £000	£000	2010 £000
Net cash inflow from operating activities	19		1,019		2,974
Returns on investments and Servicing of finance					
Interest received		1		2	
Net cash inflow from returns on investments and servicing of finance			1		2
Taxation			(375)		(604)
Capital expenditure					
Payments to acquire tangible fixed assets		(700)		(1,328)	
Receipts from sale of fixed assets		1		—	
Net cash outflow from capital expenditure			(699)		(1,328)
Equity dividends paid			(667)		(1,767)
Decrease in cash	19		<u>(721)</u>		<u>(723)</u>

The notes on pages 9 to 16 form part of these abbreviated accounts

COMPANY SHOP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the products, such as obsolescence, have been transferred to the customer

Fixed assets

All fixed assets are recorded at cost or valuation. Cost includes the directly attributable costs of bringing the asset into working condition for its intended use

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	- 2% straight line
Plant & Machinery	- 10% reducing balance
Motor Vehicles	- 25% reducing balance
Office Furnishing & Equipment	- 10% reducing balance / 25% - 33% straight line

Assets under construction are not depreciated

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve

Stocks

Stocks are valued at the lower of invoiced cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is defined as the purchased invoice price

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 directors. 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

COMPANY SHOP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

1. Accounting policies *(continued)*

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences 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 as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

2. Operating profit

Operating profit is stated after charging

	2011	2010
	£000	£000
Depreciation of owned fixed assets	143	28
Loss on disposal of fixed assets	1	—
Auditors remuneration	11	11
Operating lease costs		
-Motor vehicles	<u>127</u>	<u>119</u>

COMPANY SHOP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

3. Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2011	2010
	No	No
Number of distribution staff	216	216
Number of management staff	44	39
	<u>260</u>	<u>255</u>

The aggregate payroll costs of the above were

	2011	2010
	£000	£000
Wages and salaries	4,426	4,083
Social security costs	244	288
Other pension costs	10	10
	<u>4,680</u>	<u>4,381</u>

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent of those of the company. The total contributions in the period amounted to £10,000 (2010 £10,000).

4. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2011	2010
	£000	£000
Remuneration receivable	444	579
Value of company pension contributions to money purchase schemes	10	10
	<u>454</u>	<u>589</u>

Remuneration of highest paid director:

	2011	2010
	£000	£000
Total remuneration (excluding pension contributions)	239	461
Value of company pension contributions to money purchase schemes	4	6
	<u>243</u>	<u>467</u>

The number of directors on whose behalf the company made pension contributions was as follows

	2011	2010
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

COMPANY SHOP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

5 Taxation on ordinary activities

(a) Analysis of charge in the year

	2011 £000	2010 £000
In respect of the year		
UK Corporation tax	342	377
Over provision in prior year	(2)	(7)
	<u>340</u>	<u>370</u>
Deferred tax		
Origination and reversal of timing differences	21	19
Tax on profit on ordinary activities	<u>361</u>	<u>389</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 26% (2010 - 28%)

	2011 £000	2010 £000
Profit on ordinary activities before taxation	<u>1,193</u>	<u>1,424</u>
Profit on ordinary activities by rate of tax	310	399
Effects of		
Expenses not allowable for tax purposes	39	24
Difference between depreciation and capital allowances	(16)	(43)
Difference in tax rates	13	-
Small companies relief	(4)	(3)
Over provision in prior year	(2)	(7)
Total current tax (note 5(a))	<u>340</u>	<u>370</u>

(c) Factors that may affect future tax charges

There are no factors likely to affect the future tax charge

6. Dividends

Equity dividends

	2011 £000	2010 £000
Paid during the year		
Dividends on ordinary shares	<u>667</u>	<u>1,211</u>

Dividends paid on ordinary shares amounted to £13 34 per share (2010 £24 22 per share)

COMPANY SHOP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

7 Tangible fixed assets

	Freehold Property £000	Plant & Machinery £000	Motor Vehicles £000	Office Furnishing & Equipment £000	Assets under con-structi on £000	Total £000
Cost or valuation						
At 1 Oct 2010	2,046	1,547	65	1,738	1,174	6,570
Additions	–	82	5	439	174	700
Disposals	–	(1)	(31)	–	–	(32)
At 30 Sep 2011	<u>2,046</u>	<u>1,628</u>	<u>39</u>	<u>2,177</u>	<u>1,348</u>	<u>7,238</u>
Depreciation						
At 1 Oct 2010	290	1,251	37	1,256	–	2,834
Charge for the year	29	21	8	85	–	143
On disposals	–	(1)	(29)	–	–	(30)
At 30 Sep 2011	<u>319</u>	<u>1,271</u>	<u>16</u>	<u>1,341</u>	<u>–</u>	<u>2,947</u>
Net book value						
At 30 Sep 2011	<u>1,727</u>	<u>357</u>	<u>23</u>	<u>836</u>	<u>1,348</u>	<u>4,291</u>
At 30 Sep 2010	<u>1,756</u>	<u>296</u>	<u>28</u>	<u>482</u>	<u>1,174</u>	<u>3,736</u>

Until 30 September 1999 the policy of the company was to revalue freehold properties. At 30 September 2000 the company adopted the transitional provisions of FRS 15 'Tangible Fixed Assets', whereby previous valuations were retained and not updated. It is now the company policy not to revalue these fixed assets. The last full external valuation was undertaken by Smiths Chartered Surveyors in April 2000 on the basis of depreciated replacement cost.

The historical cost of freehold buildings included above at valuation of £1,448,000 was £844,820 (2010 £844,820) and the aggregate depreciation thereon would have been £362,079 (2010 £345,183).

8 Stocks

	2011 £000	2010 £000
Packing materials	67	67
Goods for resale	1,114	1,108
	<u>1,181</u>	<u>1,175</u>

9 Debtors

	2011 £000	2010 £000
Trade debtors	211	244
Other debtors	309	364
Prepayments	60	45
	<u>580</u>	<u>653</u>

COMPANY SHOP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

10. Creditors: Amounts falling due within one year

	2011	2010
	£000	£000
Trade creditors	1,641	1,494
Corporation tax	342	377
Other taxation and social security	85	57
Other creditors	–	1
Directors current accounts	1	1
Accruals and deferred income	139	697
	<u>2,208</u>	<u>2,627</u>

11. Deferred taxation

The movement in the deferred taxation provision during the year was

	2011	2010
	£000	£000
At 1 Oct 2010	134	115
Profit and loss account movement arising during the year	21	19
At 30 Sep 2011	<u>155</u>	<u>134</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2011	2010
	£000	£000
Excess of taxation allowances over depreciation on fixed assets	155	134
	<u>155</u>	<u>134</u>

12 Derivatives

The company has no financial instruments that fall to be classed as derivatives

13. Commitments under operating leases

At 30 September 2011 the company had annual commitments under non-cancellable operating leases as set out below

	Motor vehicles	Motor vehicles
	2011	2010
	£000	£000
Operating leases which expire		
Within 1 year	4	4
Within 2 to 5 years	87	75
	<u>91</u>	<u>79</u>

COMPANY SHOP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

14. Transactions with directors

Included within creditors is £709 (2010 £894) owed to J Marren, a director. The maximum overdrawn balance during the year was £666,291 (2010 £1,721,515). The movements relate to advances, withdrawals and dividends.

Also included within creditors is £412 (2010 £894) owed to L Wood. The maximum overdrawn balance during the year was £4,588 (2010 £44,017). The movements relate to advances and withdrawals.

15. Share capital

Allotted, called up and fully paid:

	2011	£000	2010	£000
	No		No	
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50</u>	<u>50,000</u>	<u>50</u>

16. Revaluation reserve

	2011	2010
	£000	£000
Balance brought forward	483	495
Transfer to the profit and loss account on realisation	(12)	(12)
Balance carried forward	<u>471</u>	<u>483</u>

17. Profit and loss account

	2011	2010
	£000	£000
Balance brought forward	3,654	3,818
Profit for the financial year	832	1,035
Equity dividends	(667)	(1,211)
Transfer from revaluation reserve	12	12
Balance carried forward	<u>3,831</u>	<u>3,654</u>

18. Reconciliation of movements in shareholders' funds

	2011	2010
	£000	£000
Profit for the financial year	832	1,035
Equity dividends	(667)	(1,211)
Transfer from revaluation reserve	12	12
Transfer to profit and loss account	(12)	(12)
Net addition/(reduction) to shareholders' funds	<u>165</u>	<u>(176)</u>
Opening shareholders' funds	<u>4,187</u>	<u>4,363</u>
Closing shareholders' funds	<u>4,352</u>	<u>4,187</u>

COMPANY SHOP LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2011

19. Notes to the cash flow statement

Reconciliation of operating profit to net cash inflow from operating activities

	2011	2010
	£000	£000
Operating profit	1,192	1,422
Depreciation	143	28
Loss on disposal of fixed assets	1	—
(Increase)/decrease in stocks	(6)	179
Decrease in debtors	73	996
(Decrease)/increase in creditors	(384)	349
Net cash inflow from operating activities	<u>1,019</u>	<u>2,974</u>

Reconciliation of net cash flow to movement in net funds

	£000	2011	£000	2010
	£000	£000	£000	£000
Decrease in cash in the period	(721)		(723)	
Change in net funds	<u>—</u>	<u>(721)</u>	<u>—</u>	<u>(723)</u>
Net funds at 1 October 2010		1,384		2,107
Net funds at 30 September 2011		<u>663</u>		<u>1,384</u>

Analysis of changes in net funds

	At		At
	1 October		30
	2010	Cash flows	September
	£000	£000	2011
			£000
Net cash			
Cash in hand and at bank	1,384	(721)	663
Net funds	<u>1,384</u>	<u>(721)</u>	<u>663</u>

20 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £Nil (2010 - £800,000)