

7142/43

**A.S.H.S. LIMITED**

**Abbreviated Accounts**

**For The Year Ended 31st December 2005**



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COMPANIES HOUSE

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08/09/2006

# **A.S.H.S. LIMITED**

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# A.S.H.S. LIMITED

## Company Information For The Year Ended 31st December 2005

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**DIRECTORS:**

Mrs A Seymour  
Miss L J M Ephson  
Mr H J Seymour  
Mr D Orteu

**SECRETARY:**

Mr M W Hindmarch

**REGISTERED OFFICE:**

The Stable Block  
Plough Brewery  
Battersea  
London  
SW8 3JX

**REGISTERED NUMBER:**

3142746

**AUDITORS:**

Wilkins Kennedy  
Chartered Accountants  
& Registered Auditors  
1-5 Nelson Street  
Southend on Sea  
Essex  
SS1 1EG

**BANKERS:**

HSBC Plc  
48 High Street  
Rayleigh  
Essex  
SS6 7JH

# A.S.H.S. LIMITED

## Report of the Directors For The Year Ended 31st December 2005

The directors present their report with the accounts of the company for the year ended 31st December 2005.

### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and sale of luxury handbags and fashion accessories.

The principal activity of the company's subsidiaries, ASHS USA Limited and ASHS East Coast Limited, was that of the retail only of luxury handbags and fashion accessories.

### REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

### DIVIDENDS

No dividends will be distributed for the year ended 31st December 2005.

### DIRECTORS

The directors during the year under review were:

Mrs A Seymour  
Miss L J M Ephson  
Mr H J Seymour  
Mr D Orteu

The beneficial interests of the directors holding office on 31st December 2005 in the issued share capital of the company were as follows:

	31.12.05	1.1.05
<b>Ordinary £1 shares</b>		
Mrs A Seymour	42,500	42,500
Miss L J M Ephson	2,500	2,500
Mr H J Seymour	-	-
Mr D Orteu	-	-

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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;
- 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.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

# A.S.H.S. LIMITED

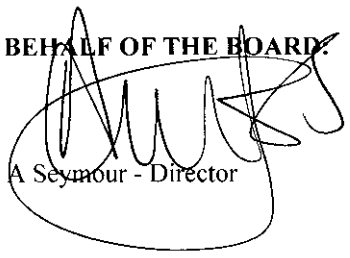
## Report of the Directors For The Year Ended 31st December 2005

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### AUDITORS

The auditors, Wilkins Kennedy, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**



Mrs A Seymour - Director

30th August 2006

**Report of the Independent Auditors to  
A.S.H.S. Limited  
Under Section 247B of the Companies Act 1985**

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We have examined the abbreviated accounts set out on pages five to seventeen, together with the financial statements of A.S.H.S. Limited for the year ended 31st December 2005 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**

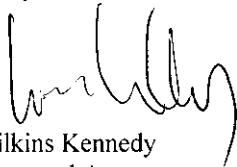
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" 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 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Wilkins Kennedy  
Chartered Accountants  
& Registered Auditors  
1-5 Nelson Street  
Southend on Sea  
Essex  
SS1 1EG

30th August 2006

# A.S.H.S. LIMITED

## Abbreviated Profit and Loss Account For The Year Ended 31st December 2005

	Notes	2005 £	2004 £
<b>GROSS PROFIT</b>		4,117,920	3,889,156
Administrative expenses		3,807,150	3,834,894
<b>OPERATING PROFIT</b>	3	310,770	54,262
Interest receivable and similar income		848	4,814
		311,618	59,076
Interest payable and similar charges	4	51,954	30,596
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		259,664	28,480
Tax on profit on ordinary activities	5	29,409	(20,348)
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		230,255	48,828

### CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

### TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

*The notes form part of these abbreviated accounts*

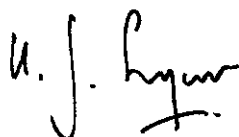
# A.S.H.S. LIMITED

## Abbreviated Balance Sheet 31st December 2005

		2005		2004
	Notes	£	£	£
<b>FIXED ASSETS</b>				
Tangible assets	6		272,947	548,955
Investments	7		2	2
			<u>272,949</u>	<u>548,957</u>
<b>CURRENT ASSETS</b>				
Stocks	8	2,122,735		1,462,667
Debtors	9	1,288,303		964,674
Cash at bank		1,554		1,432
		<u>3,412,592</u>		<u>2,428,773</u>
<b>CREDITORS</b>				
Amounts falling due within one year	10	2,113,501		1,528,013
<b>NET CURRENT ASSETS</b>			<u>1,299,091</u>	<u>900,760</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,572,040	1,449,717
<b>CREDITORS</b>				
Amounts falling due after more than one year	11		(98,395)	(166,028)
<b>PROVISIONS FOR LIABILITIES</b>	15		(17,904)	(58,203)
<b>NET ASSETS</b>			<u><u>1,455,741</u></u>	<u><u>1,225,486</u></u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	16	50,000		50,000
Profit and loss account	17	1,405,741		1,175,486
<b>SHAREHOLDERS' FUNDS</b>	20		<u><u>1,455,741</u></u>	<u><u>1,225,486</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 30th August 2006 and were signed on its behalf by:



Mr H J Seymour - Director



# A.S.H.S. LIMITED

## Cash Flow Statement For The Year Ended 31st December 2005

	Notes	2005 £	2004 £
<b>Net cash outflow from operating activities</b>	1	(171,238)	(665,231)
<b>Returns on investments and servicing of finance</b>	2	(51,106)	(25,782)
<b>Taxation</b>		(4,452)	(166,712)
<b>Capital expenditure</b>	2	(103,563)	(210,125)
		<u>(330,359)</u>	<u>(1,067,850)</u>
<b>Financing</b>	2	(112,769)	36,914
<b>Decrease in cash in the period</b>		<u><u>(443,128)</u></u>	<u><u>(1,030,936)</u></u>
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Decrease in cash in the period		(443,128)	(1,030,936)
Cash inflow from increase in debt and lease financing		<u>(231,961)</u>	<u>(5,490)</u>
Change in net debt resulting from cash flows		<u>(675,089)</u>	<u>(1,036,426)</u>
<b>Movement in net debt in the period</b>		<u>(675,089)</u>	<u>(1,036,426)</u>
<b>Net (debt)/funds at 1st January</b>		<u>(346,621)</u>	<u>689,805</u>
<b>Net debt at 31st December</b>		<u><u>(1,021,710)</u></u>	<u><u>(346,621)</u></u>

*The notes form part of these abbreviated accounts*

# A.S.H.S. LIMITED

## Notes to the Cash Flow Statement For The Year Ended 31st December 2005

### 1. RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2005	2004
	£	£
Operating profit	310,770	54,262
Depreciation charges	142,622	180,452
Increase in stocks	(660,068)	(799,854)
Increase in debtors	(9,235)	(124,848)
Increase in creditors	44,673	24,757
<b>Net cash outflow from operating activities</b>	<u>(171,238)</u>	<u>(665,231)</u>

### 2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2005	2004
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	848	4,814
Interest paid	(51,954)	(30,392)
Interest element of hire purchase or finance lease rentals payments	-	(204)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u>(51,106)</u>	<u>(25,782)</u>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(103,563)	(221,985)
Sale of tangible fixed assets	-	11,860
<b>Net cash outflow for capital expenditure</b>	<u>(103,563)</u>	<u>(210,125)</u>
<b>Financing</b>		
Loan repayments in year	(58,039)	(55,533)
Capital repayments in year	-	(6,787)
Amount introduced by directors	22,716	860
Movement in intercompany account	(77,446)	98,374
<b>Net cash (outflow)/inflow from financing</b>	<u>(112,769)</u>	<u>36,914</u>

# A.S.H.S. LIMITED

## Notes to the Cash Flow Statement For The Year Ended 31st December 2005

### 3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/05 £	Cash flow £	At 31/12/05 £
Net cash:			
Cash at bank	1,432	122	1,554
Bank overdraft	(423,579)	(443,250)	(866,829)
	<u>(422,147)</u>	<u>(443,128)</u>	<u>(865,275)</u>
Debt:			
Debts falling due within one year	241,554	(299,594)	(58,040)
Debts falling due after one year	(166,028)	67,633	(98,395)
	<u>75,526</u>	<u>(231,961)</u>	<u>(156,435)</u>
Total	<u>(346,621)</u>	<u>(675,089)</u>	<u>(1,021,710)</u>

# A.S.H.S. LIMITED

## Notes to the Abbreviated Accounts For The Year Ended 31st December 2005

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### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

#### 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.

Short leasehold	- Depreciated over the period of the lease
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 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

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

#### Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

#### Consolidation

The financial statements contain information about ASHS Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small or medium sized group.

#### Pensions

The Company operates a money purchase pension scheme for certain employees. The cost of the contribution is charged to the profit and loss account as incurred.

# A.S.H.S. LIMITED

## Notes to the Abbreviated Accounts - continued For The Year Ended 31st December 2005

### 2. STAFF COSTS

	2005 £	2004 £
Wages and salaries	<u>1,684,445</u>	<u>1,594,901</u>

The average monthly number of employees during the year was as follows:

	2005	2004
Sales	43	36
Production	8	8
Administration and management	<u>14</u>	<u>12</u>
	<u>65</u>	<u>56</u>

### 3. OPERATING PROFIT

The operating profit is stated after charging:

	2005 £	2004 £
Other operating leases	827,700	802,755
Depreciation - owned assets	142,623	180,452
Auditors' remuneration	<u>26,000</u>	<u>24,200</u>
Directors' emoluments	<u>331,613</u>	<u>343,102</u>

Information regarding the highest paid director is as follows:

	2005 £	2004 £
Emoluments etc	<u>95,903</u>	<u>89,602</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £	2004 £
Bank interest	51,954	30,392
Hire purchase	<u>-</u>	<u>204</u>
	<u>51,954</u>	<u>30,596</u>

# A.S.H.S. LIMITED

## Notes to the Abbreviated Accounts - continued For The Year Ended 31st December 2005

### 5. TAXATION

#### Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	2005 £	2004 £
Current tax:		
UK corporation tax	65,256	-
Prior periods:		
UK corporation tax	4,452	(8,322)
	<u>69,708</u>	<u>(8,322)</u>
Total current tax		
	69,708	(8,322)
Deferred tax	(40,299)	(12,026)
	<u>29,409</u>	<u>(20,348)</u>
Tax on profit on ordinary activities		
	<u>29,409</u>	<u>(20,348)</u>

UK corporation tax has been charged at 30%

#### Factors affecting the tax charge/(credit)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2005 £	2004 £
Profit on ordinary activities before tax	<u>259,664</u>	<u>28,480</u>
Profit on ordinary activities		
multiplied by the standard rate of corporation tax		
in the UK of 30% (2004 - 30%)	77,899	8,544
Effects of:		
Depreciation	42,787	54,012
Entertaining	647	3,014
Capital Allowances	(27,540)	(40,437)
Marginal relief	(7,116)	-
Group loss relief	(10,152)	-
Bad debts	-	(36,000)
Trading loss brought forward	(11,269)	-
Balancing allowance	-	(4,650)
CT in relation to loss	-	15,517
Underprovision in prior year	4,452	(8,322)
	<u>69,708</u>	<u>(8,322)</u>
Current tax charge/(credit)		
	<u>69,708</u>	<u>(8,322)</u>

# A.S.H.S. LIMITED

## Notes to the Abbreviated Accounts - continued For The Year Ended 31st December 2005

### 6. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1st January 2005	826,333	237,836	25,150	1,089,319
Additions	2,602	100,961	-	103,563
Disposals	(288,676)	(3,878)	-	(292,554)
At 31st December 2005	540,259	334,919	25,150	900,328
<b>DEPRECIATION</b>				
At 1st January 2005	424,697	109,380	6,287	540,364
Charge for year	68,597	67,738	6,288	142,623
Eliminated on disposal	(55,606)	-	-	(55,606)
At 31st December 2005	437,688	177,118	12,575	627,381
<b>NET BOOK VALUE</b>				
At 31st December 2005	102,571	157,801	12,575	272,947
At 31st December 2004	401,636	128,456	18,863	548,955

### 7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1st January 2005 and 31st December 2005	2
<b>NET BOOK VALUE</b>	
At 31st December 2005	2
At 31st December 2004	2

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

#### ASHS USA Limited

Country of incorporation: England & Wales

Nature of business: Retailer of handbags and fashion accessories

	% holding	2005 £	2004 £
Class of shares:	100.00		
Ordinary			
Aggregate capital and reserves		(119,273)	(91,467)
Loss for the year		(27,806)	(9,863)

# A.S.H.S. LIMITED

## Notes to the Abbreviated Accounts - continued For The Year Ended 31st December 2005

### 7. FIXED ASSET INVESTMENTS - continued

#### ASHS East Coast Limited

Country of incorporation: England & Wales

Nature of business: Retailer of handbags and fashion accessories

Class of shares:	%	
Ordinary	holding	
	100.00	

	2005	2004
	£	£
Aggregate capital and reserves	(59,099)	1
Loss for the year	(59,100)	-
	<u>          </u>	<u>          </u>

### 8. STOCKS

	2005	2004
	£	£
Stocks	2,122,735	1,462,667
	<u>          </u>	<u>          </u>

### 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Trade debtors	284,198	384,404
Amounts owed by group undertakings	548,679	234,285
Other debtors	455,426	345,985
	<u>1,288,303</u>	<u>964,674</u>

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Bank loans and overdrafts (see note 12)	924,869	472,025
Trade creditors	499,710	825,043
Corporation Tax	65,256	-
Other creditors	600,090	230,085
Directors' current accounts	23,576	860
	<u>2,113,501</u>	<u>1,528,013</u>

'Other creditors' include £21,125 (2004 - £22,351) in respect of taxation and social security.

### 11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2005	2004
	£	£
Bank loans (see note 12)	98,395	166,028
	<u>          </u>	<u>          </u>



# A.S.H.S. LIMITED

## Notes to the Abbreviated Accounts - continued For The Year Ended 31st December 2005

### 12. LOANS

An analysis of the maturity of loans is given below:

	2005 £	2004 £
Amounts falling due within one year or on demand:		
Bank overdrafts	866,829	423,579
Bank loans	58,040	48,446
	<u>924,869</u>	<u>472,025</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>58,040</u>	<u>51,740</u>
Amounts falling due between two and five years:		
Bank loans and overdrafts	<u>40,355</u>	<u>114,288</u>

### 13. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2005 £	2004 £
Expiring:		
Between one and five years	788,682	523,318
In more than five years	-	48,492
	<u>788,682</u>	<u>571,810</u>

### 14. SECURED DEBTS

The following secured debts are included within creditors:

	2005 £	2004 £
Bank overdrafts	866,829	423,579
Bank loans	156,435	214,474
	<u>1,023,264</u>	<u>638,053</u>

The bank overdrafts are secured by a fixed and floating charge over all of the company's assets.

# A.S.H.S. LIMITED

## Notes to the Abbreviated Accounts - continued For The Year Ended 31st December 2005

### 15. PROVISIONS FOR LIABILITIES

	2005 £	2004 £
Deferred tax		
Accelerated capital allowances	<u>17,904</u>	<u>58,203</u>
		Deferred tax £
Balance at 1st January 2005		58,203
Movement in provision		<u>(40,299)</u>
Balance at 31st December 2005		<u>17,904</u>

### 16. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005 £	2004 £
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

### 17. RESERVES

	Profit and loss account £
At 1st January 2005	1,175,486
Profit for the year	<u>230,255</u>
At 31st December 2005	<u>1,405,741</u>

### 18. CAPITAL COMMITMENTS

	2005 £	2004 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

### 19. TRANSACTIONS WITH DIRECTORS

Mrs A Seymour, a director of the company, was owed £23,576 (2004: £860) as at 31st December 2005. This amount is included within director's current account at the year end. The maximum amount outstanding on the above loan, at any one point during the period was £50,000.

# A.S.H.S. LIMITED

## Notes to the Abbreviated Accounts - continued For The Year Ended 31st December 2005

### 20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005 £	2004 £
Profit for the financial year	230,255	48,828
<b>Net addition to shareholders' funds</b>	<u>230,255</u>	<u>48,828</u>
Opening shareholders' funds	1,225,486	1,176,658
<b>Closing shareholders' funds</b>	<u><u>1,455,741</u></u>	<u><u>1,225,486</u></u>
Equity interests	<u><u>1,455,741</u></u>	<u><u>1,225,486</u></u>