

**KAN'S 'N' KANDY LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE PERIOD ENDED 30 JUNE 2003**



# KAN'S 'N' KANDY LIMITED

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# **KAN'S 'N' KANDY LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO KAN'S 'N' KANDY LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 3 to 5, together with the financial statements of the company for the period ended 30 June 2003 prepared under section 226 of the Companies Act 1985.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 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 sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### **Basis of audit opinion**

We have carried out the procedures we considered 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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.

### **Other information**

On we reported, as auditors of Kan's 'n' Kandy Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the period ended 30 June 2003, and our audit report was as follows:

"We have audited the financial statements of Kan's 'n' Kandy Limited on pages 5 to 10 for the period ended 30 June 2003. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

# KAN'S 'N' KANDY LIMITED

## INDEPENDENT AUDITORS' REPORT TO KAN'S 'N' KANDY LIMITED (CONTINUED) UNDER SECTION 247B OF THE COMPANIES ACT 1985

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### Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because we were not invited to attend the company's stocktake on 30th June 2003. There were no other satisfactory audit procedures that we could adopt to confirm that stock quantities were properly recorded. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Qualified opinion arising from limitation in audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning stocks, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2003 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

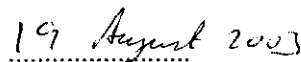
In respect alone of the limitation on our audit work relating to stocks:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper accounting records had been maintained.



Rowlands

Chartered Accountants  
Registered Auditor

  
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5 West lane  
Chester le street  
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DH3 3HJ

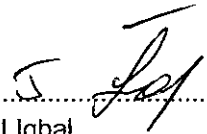
# KAN'S 'N' KANDY LIMITED

## ABBREVIATED BALANCE SHEET AS AT 30 JUNE 2003

	Notes	2003 £	£	2002 £	£
<b>Fixed assets</b>					
Tangible assets	2		135,186		160,788
<b>Current assets</b>					
Stocks		175,710		188,803	
Debtors		123,924		117,716	
Investments		3,750		3,750	
Cash at bank and in hand		2,329		5,208	
		<u>305,713</u>		<u>315,477</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(302,549)</u>		<u>(296,358)</u>	
<b>Net current assets</b>			<u>3,164</u>		<u>19,119</u>
<b>Total assets less current liabilities</b>			<u>138,350</u>		<u>179,907</u>
<b>Creditors: amounts falling due after more than one year</b>			<u>(11,465)</u>		<u>(124,310)</u>
			<u>126,885</u>		<u>55,597</u>
<b>Capital and reserves</b>					
Called up share capital	3		38,382		4
Profit and loss account			88,503		55,593
<b>Shareholders' funds</b>			<u>126,885</u>		<u>55,597</u>

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

The financial statements were approved by the Board on 12.08.03 X

  
J Iqbal  
Director

# KAN'S 'N' KANDY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2003

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	1% straight line
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

#### 1.4 Investments

Current asset investments are stated at the lower of cost and net realisable value.

### 2 Fixed assets

	Tangible assets £
<b>Cost</b>	
At 1 June 2002	228,761
Additions	27,781
Disposals	(46,683)
	<hr/>
At 30 June 2003	209,859
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<b>Depreciation</b>	
At 1 June 2002	67,973
On disposals	(11,671)
Charge for the period	18,371
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At 30 June 2003	74,673
	<hr/>
<b>Net book value</b>	
At 30 June 2003	135,186
	<hr/>
At 31 May 2002	160,788
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# KAN'S 'N' KANDY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2003

3	Share capital	2003	2002
		£	£
	<b>Authorised</b>		
	50,000 Ordinary shares of £ 1 each	50,000	1,000
		<u>          </u>	<u>          </u>
	<b>Allotted, called up and fully paid</b>		
	38,382 Ordinary shares of £ 1 each	38,382	4
		<u>          </u>	<u>          </u>

During the year 38,378 ordinary shares of £1 each were allotted and fully paid at par for cash consideration to provide additional working capital.