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Company Registration No. 4077959 (England and Wales)

REGISTRAR'S COPY

RD RETAIL SERVICES LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 3 OCTOBER 2004



RD RETAIL SERVICES LIMITED

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RD RETAIL SERVICES LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 3 OCTOBER 2004

The directors present their report and financial statements for the period ended 3 October 2004.

Principal activities and review of the business

The principal activity of the company is that of the supply of staff for large multiple retail store refits and merchandising contracts.

The results for the period and the financial position at the period end were considered satisfactory by the directors.

Results and dividends

The results for the period are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 6 October 2003:

P E Jenkinson

P Humphreys

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	3 October 2004	6 October 2003
P E Jenkinson	47	47
P Humphreys	6	6

	Ordinary 'B' shares of £ 1 each	
	3 October 2004	6 October 2003
P E Jenkinson	-	-
P Humphreys	6	6

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Maynard Heady be reappointed as auditors of the company will be put to the Annual General Meeting.

RD RETAIL SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2004

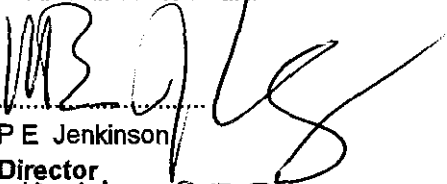
Directors' responsibilities

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.

On behalf of the board



P E Jenkinson
Director
14th May 2005

RD RETAIL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO RD RETAIL SERVICES LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 14, together with the financial statements of the company for the period ended 3 October 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B 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 or assume 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

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 accounts to be delivered are properly prepared in accordance with that provision 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.

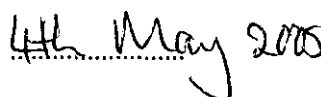
Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 14 are properly prepared in accordance with that provision.



Maynard Heady

Chartered Accountants
Registered Auditor



Matrix House
12-16 Lionel Road
Canvey Island
Essex
SS8 9DE

RD RETAIL SERVICES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 3 OCTOBER 2004

		Period ended 3 October 2004 £	Period ended 5 October 2003 £
	Notes		
Gross profit		833,587	1,245,650
Administrative expenses		(790,972)	(876,780)
Operating profit	2	42,615	368,870
Other interest receivable and similar income		19	-
Profit on ordinary activities before taxation		42,634	368,870
Tax on profit on ordinary activities	3	(12,869)	(114,554)
Profit on ordinary activities after taxation		29,765	254,316
Dividends	4	-	(21,000)
Retained profit for the period	11	29,765	233,316

RD RETAIL SERVICES LIMITED

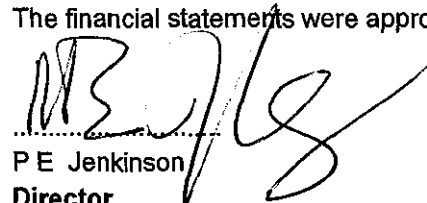
ABBREVIATED BALANCE SHEET AS AT 3 OCTOBER 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible assets	5		44,830		55,839
Investments	6		2		-
			<u>44,832</u>		<u>55,839</u>
Current assets					
Stocks	7	-		4,180	
Debtors	8	1,484,990		859,766	
Cash at bank and in hand		3,429		32,234	
		<u>1,488,419</u>		<u>896,180</u>	
Creditors: amounts falling due within one year	9	<u>(1,116,010)</u>		<u>(564,543)</u>	
Net current assets			<u>372,409</u>		<u>331,637</u>
Total assets less current liabilities			<u>417,241</u>		<u>387,476</u>
Capital and reserves					
Called up share capital	10		106		106
Share premium account	11		19,994		19,994
Profit and loss account	11		397,141		367,376
Shareholders' funds - equity interests	12		<u>417,241</u>		<u>387,476</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 on

4th May 2005


P E Jenkinson
Director

RD RETAIL SERVICES LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 3 OCTOBER 2004

	Period ended 3 October 2004		Period ended 5 October 2003	
	£	£	£	£
Net cash outflow from operating activities		(243,209)		(56,950)
Returns on investments and servicing of finance				
Interest received	19		-	
Net cash inflow/(outflow) for returns on investments and servicing of finance		19		-
Taxation		(114,555)		(85,799)
Capital expenditure				
Payments to acquire tangible assets	(31,665)		(20,254)	
Receipts from sales of tangible assets	14,000		12,750	
Net cash outflow for capital expenditure		(17,665)		(7,504)
Acquisitions and disposals				
Purchase of subsidiary undertakings (net of cash acquired)	(2)		-	
Net cash outflow for acquisitions and disposals		(2)		-
Equity dividends paid		-		(21,000)
Net cash outflow before management of liquid resources and financing		(375,412)		(171,253)
Financing				
Issue of ordinary share capital	-		6	
Net cash (outflow)/inflow from financing		-		6
Decrease in cash in the period		(375,412)		(171,247)

RD RETAIL SERVICES LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 3 OCTOBER 2004

1	Reconciliation of operating profit to net cash outflow from operating activities		2004	2003	
			£	£	
	Operating profit		42,615	368,870	
	Depreciation of tangible assets		32,981	39,037	
	Profit on disposal of tangible assets		(4,307)	(3,650)	
	Decrease/(increase) in stocks		4,180	(563)	
	(Increase)/decrease in debtors		(625,224)	23,068	
	Increase/(decrease) in creditors within one year		306,546	(483,712)	
			<hr/>	<hr/>	
	Net cash outflow from operating activities		(243,209)	(56,950)	
			<hr/>	<hr/>	
2	Analysis of net (debt)/funds	6 October 2003	Cash flow	Other non-cash changes	3 October 2004
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	32,234	(28,805)	-	3,429
	Bank overdrafts	-	(346,607)	-	(346,607)
		<hr/>	<hr/>	<hr/>	<hr/>
		32,234	(375,412)	-	(343,178)
		<hr/>	<hr/>	<hr/>	<hr/>
		<hr/>	<hr/>	<hr/>	<hr/>
	Net funds/(debt)	32,234	(375,412)	-	(343,178)
		<hr/>	<hr/>	<hr/>	<hr/>
3	Reconciliation of net cash flow to movement in net (debt)/funds		2004	2003	
			£	£	
	Decrease in cash in the period		(375,412)	(171,247)	
			<hr/>	<hr/>	
	Movement in net (debt)/funds in the period		(375,412)	(171,247)	
	Opening net funds		32,234	203,481	
			<hr/>	<hr/>	
	Closing net (debt)/funds		(343,178)	32,234	

RD RETAIL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 3 OCTOBER 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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:

Plant and machinery	33.33% Straight Line
Fixtures, fittings & equipment	33.33% Straight Line
Motor vehicles	33.33% Straight Line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Operating profit

	2004 £	2003 £
Operating profit is stated after charging:		
Depreciation of tangible assets	32,981	39,037
Operating lease rentals	4,007	2,053
Auditors' remuneration	2,500	2,500
and after crediting:		
Profit on disposal of tangible assets	(4,307)	(3,650)

RD RETAIL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2004

3	Taxation	2004	2003
		£	£
	Domestic current year tax		
	U.K. corporation tax	12,869	114,554
	Current tax charge	<u>12,869</u>	<u>114,554</u>
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	<u>42,634</u>	<u>368,870</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.38% (2003: 30.00%)	<u>10,821</u>	<u>110,661</u>
	Effects of:		
	Non deductible expenses	33	198
	Depreciation add back	8,370	11,711
	Capital allowances	(5,261)	(6,921)
	Chargeable disposals	(1,094)	(1,095)
		<u>2,048</u>	<u>3,893</u>
	Current tax charge	<u>12,869</u>	<u>114,554</u>
4	Dividends	2004	2003
		£	£
	Ordinary interim paid	-	9,000
	Ordinary interim paid	-	12,000
		<u>-</u>	<u>21,000</u>

RD RETAIL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2004

5 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 6 October 2003	5,685	39,553	67,234	112,472
Additions	-	-	31,665	31,665
Disposals	-	-	(27,215)	(27,215)
At 3 October 2004	5,685	39,553	71,684	116,922
Depreciation				
At 6 October 2003	1,350	20,217	35,066	56,633
On disposals	-	-	(17,522)	(17,522)
Charge for the period	1,895	12,935	18,151	32,981
At 3 October 2004	3,245	33,152	35,695	72,092
Net book value				
At 3 October 2004	2,440	6,401	35,989	44,830
At 5 October 2003	4,335	19,336	32,168	55,839

RD RETAIL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2004

6 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 6 October 2003	-
Additions	2
	<hr/>
At 3 October 2004	2
	<hr/>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
RD Merchandising Services Ltd	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2004 £	Profit for the year 2004 £
RD Merchandising Services Ltd	18,261	18,259
	<hr/>	<hr/>

7 Work in progress

	2004 £	2003 £
Work in progress	-	4,180
	<hr/>	<hr/>

8 Debtors

	2004 £	2003 £
Trade debtors	1,443,982	810,024
Amounts owed by participating interests	1,490	-
Other debtors	10,554	3,267
Prepayments and accrued income	28,964	46,475
	<hr/>	<hr/>
	1,484,990	859,766
	<hr/>	<hr/>

RD RETAIL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2004

9 Creditors: amounts falling due within one year	2004 £	2003 £
Bank loans and overdrafts	346,607	-
Trade creditors	128,405	82,658
Amounts owed to subsidiary undertakings	2	-
Corporation tax	12,868	114,554
Other taxes and social security costs	445,065	261,289
Other creditors	86,689	45,124
Accruals and deferred income	96,374	60,918
	<u>1,116,010</u>	<u>564,543</u>

10 Share capital	2004 £	2003 £
Authorised		
100 Ordinary shares of £1 each	100	100
100 Ordinary 'B' shares of £1 each	100	100
	<u>200</u>	<u>200</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
6 Ordinary 'B' shares of £1 each	6	6
	<u>106</u>	<u>106</u>

The ordinary 'B' shares only have rights to dividends. The ordinary shareholders only, have the right to vote at company meetings.

11 Statement of movements on reserves	Share premium account £	Profit and loss account £
Balance at 6 October 2003	19,994	367,376
Retained profit for the period	-	29,765
Balance at 3 October 2004	<u>19,994</u>	<u>397,141</u>

RD RETAIL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2004

12 Reconciliation of movements in shareholders' funds	2004	2003
	£	£
Profit for the financial period	29,765	254,316
Dividends	-	(21,000)
	<hr/>	<hr/>
	29,765	233,316
Proceeds from issue of shares	-	6
	<hr/>	<hr/>
Net addition to shareholders' funds	29,765	233,322
Opening shareholders' funds	387,476	154,154
	<hr/>	<hr/>
Closing shareholders' funds	417,241	387,476
	<hr/>	<hr/>

13 Contingent liabilities

There is a cross guarantee and debenture in favour of Barclays Bank PLC, dated 6th March 2003, between RD Recruitment (Rugby) Limited, Piper Recruitment Limited, Rugby Design Group Limited, RD Retail Services Limited, RD Piper Recruitment Limited and Rugby Design (Recruitment) Limited.

14 Financial commitments

At 3 October 2004 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2004	2003
	£	£
Expiry date:		
Between two and five years	55,000	55,000
	<hr/>	<hr/>

RD RETAIL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2004

15 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

	2004 Number	2003 Number
Merchandising staff	139	141
Administrative staff	18	17
	<u>157</u>	<u>158</u>

Employment costs

	£	£
Wages and salaries	306,744	384,385
Social security costs	34,786	44,632
	<u>341,530</u>	<u>429,017</u>

16 Ultimate parent company

There is not considered to be an ultimate controlling party.