

BROWNE'S CHOCOLATES LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2008

Company No. 05305570 (England and Wales)

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BROWNE'S CHOCOLATES LIMITED

Abbreviated Balance Sheet as at 31 August 2008

	Notes	2008 £	2007 £
Fixed assets			
Intangible assets	2	90,931	102,852
Tangible assets	2	<u>25,156</u>	<u>10,980</u>
		116,087	113,832
Current assets			
Stock		93,879	84,921
Debtors	3	72,213	137,757
Cash at bank		<u>0</u>	<u>6,809</u>
		166,092	229,487
Creditors: amounts falling due within one year	4	<u>(257,304)</u>	<u>(227,971)</u>
Net current (liabilities)/assets		<u>(91,212)</u>	<u>1,516</u>
Total assets less current liabilities		24,875	115,348
Creditors: amounts falling due after more than one year	4	<u>(103,551)</u>	<u>(110,000)</u>
Net (liabilities)/assets		<u>(78,676)</u>	<u>5,348</u>
Capital and reserves			
Called up share capital	5	25,000	25,000
Profit and loss account		<u>(103,676)</u>	<u>(19,652)</u>
Shareholders' funds		<u>(78,676)</u>	<u>5,348</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of s.249A(1) of the Companies Act 1985. Members have not required the company, under s.249B(2) of the Companies Act 1985, to obtain an audit for the year ended 31 August 2008. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with s.221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 August 2008 and of its profit or loss for the period then ended in accordance with the requirements of s.226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The abbreviated accounts which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the board on *5th August 2009* and signed on its behalf by: -


Wendy White
 Director

The notes on page 2-4 form parts of these financial statements.

BROWNE'S CHOCOLATES LIMITED

Notes to the abbreviated accounts for the year ended 31 August 2008

1 Accounting Policies

1.1 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 2007).

The financial statements have been prepared on a going concern basis due to the continued support of the company's directors.

1.2 Turnover and Income Recognition

Turnover comprises the invoiced value of goods supplied by the company, net of value added tax and trade discounts.

1.3 Intangible Fixed Assets and Amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the separable net assets. It is amortised to the profit and loss account over its estimated economic life of ten years.

1.4 Research and Development

Expenditure on research and development is written off in the year it is incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. The expenditure carried forward is treated as an intangible fixed asset and amortised over its estimated economic life of 3 years so as to match the expenditure with the anticipated sales from the related project.

1.5 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 of fixed assets, less their estimated residual value, on a straight line basis over their expected useful lives as follows:

Improvements to Property	10 years straight line
Plant and Machinery	25% reducing balance
Office Equipment	3 years straight line
Furniture and Fixtures	10 years straight line

BROWNE'S CHOCOLATES LIMITED

Notes to the abbreviated accounts for the year ended 31 August 2008 (continued)

1.6 Leasing and Hire Purchase Contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss as incurred.

1.7 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock.

1.8 Debt Factoring

The company factors its debts. The gross debts are shown as an asset on the balance sheet and the proceeds from the factor company are included within creditors as a liability.

1.9 Deferred Taxation

The charge for 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 director considers 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.

BROWNE'S CHOCOLATES LIMITED

Notes to the abbreviated accounts for the year ended 31 August 2008 (continued)

2 Fixed Assets

	Intangible Fixed Assets £	Tangible Fixed Assets £	Total £
Cost			
Balance brought forward	114,432	32,834	147,266
Additions during year	<u>0</u>	<u>20,801</u>	<u>20,801</u>
Balance carried forward	<u>114,432</u>	<u>53,635</u>	<u>168,067</u>
Amortisation/Depreciation			
Balance brought forward	11,580	21,854	33,434
Charge for year	<u>11,921</u>	<u>6,625</u>	<u>18,546</u>
Balance carried forward	<u>23,501</u>	<u>28,479</u>	<u>51,980</u>
Net book value			
At 31 August 2008	<u>90,931</u>	<u>25,156</u>	<u>116,087</u>
At 31 August 2007	<u>102,852</u>	<u>10,980</u>	<u>113,832</u>

3 Debtors

	2008 £	2007 £
Due after more than one year	<u>3,750</u>	<u>0</u>

4 Creditors – secured liabilities

	2008 £	2007 £
Amounts falling due within one year	126,696	114,334
Amounts falling due after more than one year	<u>8,551</u>	<u>0</u>
	<u>135,247</u>	<u>114,334</u>

5 Share Capital

	2008 £	2007 £
Authorised, Allotted, Called up and Fully Paid		
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

6 Related Parties and Transactions with Directors

The ultimate parent company is Seckloe 306 Limited. At the balance sheet date a loan of £95,000 (2007: £95,000) from the parent company is included in creditors due after more than one year. The loan is interest free and has no fixed date for repayment.

The bank loan and overdraft of £89,683 (2007: £61,180) at the balance sheet date is secured by personal guarantees from the company's directors.

At the balance sheet date, the company owed Wendy White, one of the company's directors an amount of £566 (2007: £8,741). The loan is interest free and has no fixed date for repayment.