

Eurostitch Limited
Abbreviated Accounts
31st May 2007



JOLLIFFE CORK LLP
Chartered Accountants
33 George Street
Wakefield
WF1 1LX

Eurostitch Limited

Abbreviated Accounts

Year Ended 31st May 2007

Contents	Page
Abbreviated Balance Sheet	1
Notes to the Abbreviated Accounts	3

Eurostitch Limited

Abbreviated Balance Sheet

31st May 2007

		2007	2006
	Note	£	£
Fixed Assets	2		
Tangible assets		586,719	108,179
Current Assets			
Stocks		202,750	183,000
Debtors		54,363	56,590
Cash at bank and in hand		1,185	32,137
		<u>258,298</u>	<u>271,727</u>
Creditors: Amounts Falling due Within One Year	3	<u>170,322</u>	<u>160,395</u>
Net Current Assets		<u>87,976</u>	<u>111,332</u>
Total Assets Less Current Liabilities		<u>674,695</u>	<u>219,511</u>
Creditors: Amounts Falling due after More than One Year	4	9,305	17,552
Provisions for Liabilities and Charges		<u>81,025</u>	<u>2,081</u>
		<u>584,365</u>	<u>199,878</u>

The Balance sheet continues on the following page.

The notes on pages 3 to 5 form part of these abbreviated accounts

Eurostitch Limited

Abbreviated Balance Sheet *(continued)*

31st May 2007

	Note	2007 £	2006 £
Capital and Reserves			
Called-up equity share capital	5	25,000	25,000
Revaluation reserve		403,856	-
Other reserves		5,500	5,500
Profit and loss account		150,009	169,378
Shareholders' Funds		<u>584,365</u>	<u>199,878</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

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

These abbreviated accounts were approved by the directors on 26th March 2008 and are signed on their behalf by

Mr D Barratt



The notes on pages 3 to 5 form part of these abbreviated accounts

Eurostitch Limited

Notes to the Abbreviated Accounts

Year Ended 31st May 2007

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 the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed Assets

All fixed assets are initially recorded at cost

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 land and buildings	- not depreciated
Plant and equipment	- 5 years
Office/computer equipment	- 10 years/3 years
Motor vehicles	- 4 years
Capital improvements	- 20 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

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

Deferred Taxation

Following the introduction of FRS 19, the company has revised its accounting policy for deferred tax. Standard accounting practice now requires the recognition of deferred tax arising from timing differences and the creation of a provision for deferred tax liabilities. Under previous practice no provision was required where deferred tax liabilities were not expected to crystallise.

Eurostitch Limited

Notes to the Abbreviated Accounts

Year Ended 31st May 2007

2. Fixed Assets

	Tangible Assets £
Cost or Valuation	
At 1st June 2006	356,357
Additions	390
Disposals	(13,083)
Revaluation	451,720
At 31st May 2007	<u>795,384</u>
Depreciation	
At 1st June 2006	248,178
Charge for year	5,389
On disposals	(12,851)
Revaluation adjustment	(32,051)
At 31st May 2007	<u>208,665</u>
Net Book Value	
At 31st May 2007	<u>586,719</u>
At 31st May 2006	<u>108,179</u>

3. Creditors: Amounts Falling due Within One Year

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2007 £	2006 £
Bank loans and overdrafts	<u>32,869</u>	<u>44,911</u>

4. Creditors: Amounts Falling due after More than One Year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2007 £	2006 £
Bank loans and overdrafts	<u>9,305</u>	<u>17,552</u>

Eurostitch Limited

Notes to the Abbreviated Accounts

Year Ended 31st May 2007

5. Share Capital

Authorised share capital:

	2007	2006
	£	£
40,000 Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>

Allotted and called up:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	25,000	25,000	25,000	25,000

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows

	2007	2006
	£	£
Ordinary shares	<u>1,900</u>	<u>2,500</u>