

REGISTERED NUMBER: 02699779 (England and Wales)

Eurostitch Limited

Financial Statements

for the Year Ended 31 January 2017

Jolliffe Cork LLP
Chartered Accountants
33 George Street
Wakefield
West Yorkshire
WF1 1LX

Eurostitch Limited (Registered number: 02699779)

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for the year ended 31 January 2017**

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Eurostitch Limited

Company Information for the year ended 31 January 2017

DIRECTOR: Mrs K J A Wright

SECRETARY: Mrs K J A Wright

REGISTERED OFFICE: Tower Works
Southgate
Pontefract
West Yorkshire
WF8 1QX

REGISTERED NUMBER: 02699779 (England and Wales)

ACCOUNTANTS: Jolliffe Cork LLP
Chartered Accountants
33 George Street
Wakefield
West Yorkshire
WF1 1LX

Eurostitch Limited (Registered number: 02699779)**Balance Sheet**
31 January 2017

		2017		2016	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		54,490		40,817
CURRENT ASSETS					
Stocks	5	97,678		99,486	
Debtors	6	33,633		21,907	
Cash at bank and in hand		21,492		147,220	
		152,803		268,613	
CREDITORS					
Amounts falling due within one year	7	79,961		117,037	
NET CURRENT ASSETS			72,842		151,576
TOTAL ASSETS LESS CURRENT LIABILITIES			127,332		192,393
CREDITORS					
Amounts falling due after more than one year	8		9,269		-
NET ASSETS			118,063		192,393

The notes form part of these financial statements

Eurostitch Limited (Registered number: 02699779)

Balance Sheet - continued
31 January 2017

	Notes	2017 £	£	2016 £	£
CAPITAL AND RESERVES					
Called up share capital	10		25,000		25,000
Capital redemption reserve	11		5,500		5,500
Retained earnings	11		87,563		161,893
SHAREHOLDERS' FUNDS			<u>118,063</u>		<u>192,393</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2017 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges her responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 5 October 2017 and were signed by:

Mrs K J A Wright - Director

**Notes to the Financial Statements
for the year ended 31 January 2017**

1. STATUTORY INFORMATION

Eurostitch Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements for the year ended 31 January 2017 are the first financial statements that comply with FRS102 section 1A. The transition date is 1 February 2015.

The directors have also considered whether in applying the accounting policies required by FRS102 the restatement of comparative items was required and all adjustments have been explained in the First Year Adoption note to the accounts.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Leasehold Improvements	- Over the term of the lease
Plant and machinery	- 20% on cost
Motor vehicles	- 25% on reducing balance
Computer & office equipment	- 33% on cost and 10% on cost

Fixed assets are stated at cost, net of depreciation and any provision for impairment.

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued
for the year ended 31 January 2017**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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 profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 18 .

4. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Plant and machinery £	Motor vehicles £	Computer & office equipment £	Totals £
COST					
At 1 February 2016	-	38,790	18,500	40,641	97,931
Additions	<u>6,509</u>	<u>-</u>	<u>17,780</u>	<u>-</u>	<u>24,289</u>
At 31 January 2017	<u>6,509</u>	<u>38,790</u>	<u>36,280</u>	<u>40,641</u>	<u>122,220</u>
DEPRECIATION					
At 1 February 2016	-	-	16,918	40,196	57,114
Charge for year	<u>1,808</u>	<u>7,758</u>	<u>766</u>	<u>284</u>	<u>10,616</u>
At 31 January 2017	<u>1,808</u>	<u>7,758</u>	<u>17,684</u>	<u>40,480</u>	<u>67,730</u>
NET BOOK VALUE					
At 31 January 2017	<u>4,701</u>	<u>31,032</u>	<u>18,596</u>	<u>161</u>	<u>54,490</u>
At 31 January 2016	<u>-</u>	<u>38,790</u>	<u>1,582</u>	<u>445</u>	<u>40,817</u>

Notes to the Financial Statements - continued
for the year ended 31 January 2017

4. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
Additions	<u>17,780</u>
At 31 January 2017	<u>17,780</u>
DEPRECIATION	
Charge for year	<u>370</u>
At 31 January 2017	<u>370</u>
NET BOOK VALUE	
At 31 January 2017	<u>17,410</u>

5. STOCKS

	2017 £	2016 £
Stocks	<u>97,678</u>	<u>99,486</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	27,274	14,729
Prepayments and accrued income	<u>6,359</u>	<u>7,178</u>
	<u>33,633</u>	<u>21,907</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Hire purchase contracts (see note 9)	5,731	-
Trade creditors	37,155	59,353
Social security and other taxes	2,630	1,697
VAT	4,273	14,087
Other creditors	6,731	13,576
Accruals and deferred income	<u>23,441</u>	<u>28,324</u>
	<u>79,961</u>	<u>117,037</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017 £	2016 £
Hire purchase contracts (see note 9)	<u>9,269</u>	<u>-</u>

**Notes to the Financial Statements - continued
for the year ended 31 January 2017**

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

		Hire purchase contracts	
		2017	2016
		£	£
Net obligations repayable:			
Within one year		5,731	-
Between one and five years		9,269	-
		<u>15,000</u>	<u>-</u>
		Non-cancellable operating leases	
		2017	2016
		£	£
Within one year		6,000	-
Between one and five years		7,000	-
		<u>13,000</u>	<u>-</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017	2016
			£	£
25,000	Ordinary	£1	<u>25,000</u>	<u>25,000</u>

11. RESERVES

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 February 2016	161,893	5,500	167,393
Deficit for the year	(74,330)		(74,330)
At 31 January 2017	<u>87,563</u>	<u>5,500</u>	<u>93,063</u>

**Notes to the Financial Statements - continued
for the year ended 31 January 2017**

12. FIRST YEAR ADOPTION

This is the first year that the company has presented its results under FRS 102. The last financial statements under previous UK GAAP were for the year ended 31 January 2016. The date of transition to FRS 102 was 1 February 2015. The directors have considered whether in applying the accounting policies required by FRS 102 the restatement of comparative items was required.

The company previously adopted a policy, under UK GAAP, of revaluing plant and machinery. Plant and machinery was stated in the balance sheet at its revalued amount, being the value that the directors would expect it to realise on the second hand market. Revaluations were performed in 2009 and 2016 with any revaluation movement being credited, or debited, to a revaluation reserve.

Under FRS 102, the company has elected to adopt a 'deemed cost' value at the date of transition. This reflects the value of plant and machinery under the previous revaluation policy with the 2016 valuation being considered the most appropriate 'deemed cost' at the date of transition (1 February 2015). The company will no longer apply the revaluation model under FRS 102 and will hold plant and machinery at the deemed cost and depreciate it over its useful economic life. Revaluations will no longer be performed.

Following the election of a 'deemed cost' value on adoption of the requirements of FRS 102, the figures for the year ended 31 January 2016 have been restated, with the NBV of plant and machinery being reduced by £56,750 to reflect the second hand market valuation at the date of transition and the deferred tax provision on accumulated revaluations being reduced by £22,710. At the date of transition to FRS 102 there was a revaluation reserve in connection with plant and machinery of £85,134 and this has been transferred to retained earnings. There was no impact on the income statement for the comparative period.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.