

Company Number 2725982

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Cover Chair Limited
Unaudited Financial Statements
For the year ended 30th June 2005



Cover Chair Limited
Financial Statements
For the year ended 30th June 2005

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Cover Chair Limited
Company Information

The board of directors	J. Young N. Blair
Company secretary	J. Young
Registered office	5, Wigmore Street, London, W1U 1HY.
Registered number	2725982
Accountants	Benjamin, Taylor & Co., Chartered Accountants 5, Wigmore Street, London W1U 1HY.
Bankers	National Westminster Bank Plc., 169, Victoria Street, London, SW1E 5BT.

Cover Chair Limited
The Directors' Report
For the year ended 30th June 2005

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30th June 2005.

Principal Activities

The principal activity of the company continued to be that of the supply of chair coverings.

The Directors and their Interests in the Shares of the Company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 June 2005	At 1 July 2004
J. Young	100	100
N. Blair	—	—

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors



J. Young
Company Secretary

Approved by the directors on 11th January 2006

Cover Chair Limited
Profit and Loss Account
For the year ended 30th June 2005

	Note	2005 £	2004 £
Turnover		120,323	117,662
Cost of sales		(38,567)	(41,172)
Gross Profit		81,756	76,490
Administrative expenses		(59,388)	(54,883)
Operating Profit	2	22,368	21,607
Interest receivable and similar income		1,341	223
Profit on Ordinary Activities Before Taxation		23,709	21,830
Tax on profit on ordinary activities	3	(3,458)	(2,592)
Profit on Ordinary Activities after Taxation		20,251	19,238
Dividends	4	(10,000)	—
Retained Profit for the Financial Year		10,251	19,238
Balance brought forward		90,288	71,050
Balance carried forward		<u>100,539</u>	<u>90,288</u>

The notes on pages 5 to 8 form part of these financial statements.

Cover Chair Limited

Balance Sheet

As at 30th June 2005

	Note	2005 £	2004 £
Fixed Assets			
Tangible assets	5	15,860	1,070
Current Assets			
Stocks	6	12,539	18,324
Debtors	7	36,080	31,545
Cash at bank and in hand		57,418	49,730
		<u>106,037</u>	<u>99,599</u>
Creditors: Amounts Falling due Within One Year	8	<u>21,258</u>	<u>10,281</u>
Net Current Assets		84,779	89,318
Total Assets Less Current Liabilities		<u>100,639</u>	<u>90,388</u>
Capital and Reserves			
Called-up equity share capital	10	100	100
Profit and loss account		100,539	90,288
Shareholders' Funds		<u>100,639</u>	<u>90,388</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.

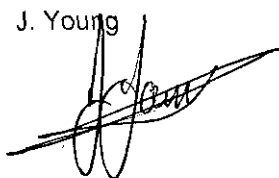
The directors acknowledge their responsibilities for:

- (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 financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 11th January 2006 and are signed on their behalf by:

J. Young



N. Blair



The notes on pages 5 to 8 form part of these financial statements.

Cover Chair Limited
Notes to the Financial Statements
For the year ended 30th June 2005

1. Accounting Policies

Basis of Accounting

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

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:

Leasehold Property	-	straight line over the period of the lease
Motor Vehicles	-	25% on cost
Equipment	-	20% on cost

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.

Cover Chair Limited
Notes to the Financial Statements
For the year ended 30th June 2005

1. Accounting Policies *(continued)*

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating Profit

Operating profit is stated after charging/(crediting):

	2005	2004
	£	£
Directors' emoluments	11,661	11,661
Depreciation of owned fixed assets	5,610	485
Profit on disposal of fixed assets	<u>(2,400)</u>	<u>—</u>

3. Taxation on Ordinary Activities

	2005	2004
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 19% (2004 - 19%)	<u>3,458</u>	<u>2,592</u>
Total current tax	<u>£3,458</u>	<u>£2,592</u>

Cover Chair Limited
Notes to the Financial Statements
For the year ended 30th June 2005

4. Dividends

The following dividends have been proposed in respect of the year:

	2005	2004
	£	£
Proposed dividend on ordinary shares	<u>10,000</u>	<u>—</u>

5. Tangible Fixed Assets

	Leasehold Property £	Motor Vehicles £	Equipment £	Total £
Cost				
At 1st July 2004	4,500	18,820	4,132	27,452
Additions	—	20,500	—	20,500
Disposals	—	(18,820)	—	(18,820)
At 30th June 2005	<u>4,500</u>	<u>20,500</u>	<u>4,132</u>	<u>29,132</u>
Depreciation				
At 1st July 2004	4,500	18,720	3,162	26,382
Charge for the year	—	5,125	485	5,610
On disposals	—	(18,720)	—	(18,720)
At 30th June 2005	<u>4,500</u>	<u>5,125</u>	<u>3,647</u>	<u>13,272</u>
Net Book Value				
At 30th June 2005	<u>—</u>	<u>15,375</u>	<u>485</u>	<u>15,860</u>
At 30th June 2004	<u>—</u>	<u>100</u>	<u>970</u>	<u>1,070</u>

6. Stocks

	2005	2004
	£	£
Finished goods	<u>12,539</u>	<u>18,324</u>

7. Debtors

	2005	2004
	£	£
Trade debtors	29,106	25,740
VAT recoverable	—	615
Other debtors	2,170	2,608
Prepayments and accrued income	4,804	2,582
	<u>£36,080</u>	<u>£31,545</u>

Cover Chair Limited
Notes to the Financial Statements
For the year ended 30th June 2005

8. Creditors: Amounts Falling due Within One Year

	2005		2004	
	£	£	£	£
Other creditors including taxation and social security:				
Corporation tax	3,458		2,592	
PAYE and social security	1,171		2,626	
VAT	935		—	
Dividends payable	10,000		—	
Directors current accounts	2,018		593	
Other creditors	60		—	
Accruals and deferred income	3,616		4,470	
		<u>£21,258</u>		<u>£10,281</u>

9. Related Party Transactions

At 30th June 2005, the company owes £2,018 (2004: £593) to J.Young, a director and majority shareholder. The loan is interest free and repayable on demand.

10. Share Capital

Authorised share capital:

	2005	2004
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

11. Controlling Parties

The controlling party is J.Young who owns 100% of the issued share capital of the company.