

Registration number 2776405

Style Stitch Limited

Directors' report and financial statements

for the year ended 31 December 2001



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26/10/02

Style Stitch Limited

Company information

Directors	Mrs L M Land
Secretary	Miss A J Gibbs (Appointed 01/02/02) Mr D R Land (Resigned 01/02/02)
Company number	2776405
Registered office	21 Bampton Street Tiverton Devon EX16 6AA
Accountants	Apsleys 21 Bampton Street Tiverton Devon EX16 6AA
Bankers	Barclays Bank plc 24 Fore Street Tiverton Devon

Style Stitch Limited

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Style Stitch Limited

**Directors' report
for the year ended 31 December 2001**

The directors present their report and the financial statements for the year ended 31 December 2001.

Principal activity

The company produces corporate and club embroidery.


Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/12/01	01/01/01
Mrs L M Land	1	1

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 18.10.02 and signed on its behalf by



**Miss A J Gibbs
Secretary**

Style Stitch Limited

**Accountants' report on the unaudited financial statements to the directors of
Style Stitch Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2001 set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

Apsleys

**Apsleys
Chartered Accountants
21 Bampton Street
Tiverton
Devon
EX16 6AA**

Date: *23 October 2002*

Style Stitch Limited

Profit and loss account for the year ended 31 December 2001

		2001	2000
	Notes	£	£
Turnover	2	132,679	130,399
Cost of sales		(71,460)	(82,539)
Gross profit		61,219	47,860
Administrative expenses		(50,738)	(46,333)
Operating profit	3	10,481	1,527
Interest payable and similar charges		(3,079)	(3,645)
Profit/(loss) on ordinary activities before taxation		7,402	(2,118)
Tax on profit/(loss) on ordinary activities		-	-
Retained profit/(loss) for the year		7,402	(2,118)
Accumulated loss brought forward		(24,151)	(22,033)
Accumulated loss carried forward		(16,749)	(24,151)

The notes on pages 6 to 9 form an integral part of these financial statements.

Style Stitch Limited

**Balance sheet
as at 31 December 2001**

		2001		2000	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		27,953		28,399
Current assets					
Stocks		29,675		28,400	
Debtors	6	20,575		16,161	
		<u>50,250</u>		<u>44,561</u>	
Creditors: amounts falling due within one year	7	<u>(76,945)</u>		<u>(75,126)</u>	
Net current liabilities			<u>(26,695)</u>		<u>(30,565)</u>
Total assets less current liabilities			1,258		(2,166)
Creditors: amounts falling due after more than one year	8		<u>(18,005)</u>		<u>(21,983)</u>
Deficiency of assets			<u>(16,747)</u>		<u>(24,149)</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account			<u>(16,749)</u>		<u>(24,151)</u>
Shareholders' funds			<u>(16,747)</u>		<u>(24,149)</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 9 form an integral part of these financial statements.

Style Stitch Limited

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31 December 2001**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 December 2001 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 18.10.02 and signed on its behalf by



Mrs L M Land
Director

The notes on pages 6 to 9 form an integral part of these financial statements.

Style Stitch Limited

Notes to the financial statements for the year ended 31 December 2001

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	15% reducing balance
Office equipment	-	15% reducing balance
Computer equipment	-	33 1/3% straight line

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period.

1.5. Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.6. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2001	2000
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	5,982	5,580

Style Stitch Limited

Notes to the financial statements for the year ended 31 December 2001

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4. Directors' emoluments

	2001	2000
	£	£
Remuneration and other benefits	<u>26,400</u>	<u>23,400</u>

5. Tangible fixed assets

	Plant and machinery £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 January 2001	39,843	1,524	1,702	43,069
Additions	400	270	4,866	5,536
At 31 December 2001	<u>40,243</u>	<u>1,794</u>	<u>6,568</u>	<u>48,605</u>
Depreciation				
At 1 January 2001	12,207	761	1,702	14,670
Charge for the year	4,205	155	1,622	5,982
At 31 December 2001	<u>16,412</u>	<u>916</u>	<u>3,324</u>	<u>20,652</u>
Net book values				
At 31 December 2001	<u>23,831</u>	<u>878</u>	<u>3,244</u>	<u>27,953</u>
At 31 December 2000	<u>27,636</u>	<u>763</u>	<u>-</u>	<u>28,399</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	2001		2000	
Asset description	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Plant and machinery	<u>20,267</u>	<u>3,576</u>	<u>23,843</u>	<u>4,207</u>

Style Stitch Limited

Notes to the financial statements for the year ended 31 December 2001

..... continued

6. Debtors	2001	2000
	£	£
Trade debtors	20,573	16,159
Called up share capital not paid	2	2
	<u>20,575</u>	<u>16,161</u>
 7. Creditors: amounts falling due within one year	 2001	 2000
	£	£
Bank overdraft	14,760	14,976
Bank loan	1,300	1,400
Net obligations under finance leases and hire purchase contracts	8,121	7,425
Trade creditors	47,495	46,041
Other taxes and social security costs	3,696	2,829
Accruals and deferred income	1,573	2,455
	<u>76,945</u>	<u>75,126</u>
 8. Creditors: amounts falling due after more than one year	 2001	 2000
	£	£
Bank loan	6,607	7,739
Directors' loan account	7,076	1,800
Net obligations under finance lease and hire purchase contracts	4,322	12,444
	<u>18,005</u>	<u>21,983</u>
 9. Share capital	 2001	 2000
	£	£
Authorised		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
 Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Style Stitch Limited

**Notes to the financial statements
for the year ended 31 December 2001**

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10. Related party transactions

At the 31 December 2001 the company owed Mrs L M Land, a director of the company £7,076 (2000: 1,800).