

Registration number 2776405

Style Stitch Limited
Director's report and financial statements
for the year ended 31 December 2004



Style Stitch Limited

Company information

Director	Mrs L M Land
Secretary	Miss A J Gibbs
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

**Director's report
for the year ended 31 December 2004**

The director presents her report and the financial statements for the year ended 31 December 2004.

Principal activity

The company produces corporate and club embroidery.

Director and her interest

The director who served during the year and her interest in the company are as stated below:

	Ordinary shares	
	31/12/04	01/01/04
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 15/8/05 and signed on its behalf by



**Miss A J Gibbs
Secretary**

Style Stitch Limited

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

In accordance with the engagement letter dated 29 July 2004, and in order to assist you to fulfill your duties under Companies Act 1985, we have compiled the financial statements of the company which comprise the profit and loss account, the balance sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's director, as a body, in accordance with the terms of our engagement. Our audit work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's that we have done so and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's director, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 December 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Apsleys

19 August 2005

**Apsleys
Chartered Accountants**

**21 Bampton Street
Tiverton
Devon
EX16 6AA**

Style Stitch Limited

Profit and loss account
for the year ended 31 December 2004

		2004	2003
	Notes	£	£
Turnover	2	120,549	112,036
Cost of sales		(79,921)	(61,226)
Gross profit		40,628	50,810
Administrative expenses		(49,998)	(52,711)
Operating loss	3	(9,370)	(1,901)
Interest payable and similar charges		(1,376)	(1,348)
Loss on ordinary activities before taxation		(10,746)	(3,249)
Tax on loss on ordinary activities		-	-
Loss on ordinary activities after taxation		(10,746)	(3,249)
Loss for the year		(10,746)	(3,249)
Accumulated loss brought forward		(13,919)	(10,670)
Accumulated loss carried forward		(24,665)	(13,919)

The notes on pages 6 to 8 form an integral part of these financial statements.

Style Stitch Limited

**Balance sheet
as at 31 December 2004**

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		20,206		18,414
Current assets					
Stocks		36,654		40,146	
Debtors	6	15,403		19,573	
		<u>52,057</u>		<u>59,719</u>	
Creditors: amounts falling due within one year	7	<u>(70,366)</u>		<u>(67,616)</u>	
Net current liabilities			<u>(18,309)</u>		<u>(7,897)</u>
Total assets less current liabilities			1,897		10,517
Creditors: amounts falling due after more than one year	8		<u>(26,560)</u>		<u>(24,434)</u>
Deficiency of assets			<u>(24,663)</u>		<u>(13,917)</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account			<u>(24,665)</u>		<u>(13,919)</u>
Shareholders' funds			<u>(24,663)</u>		<u>(13,917)</u>

The director's 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 8 form an integral part of these financial statements.

Style Stitch Limited

Balance sheet (continued)

**Director's statements required by Section 249B(4)
for the year ended 31 December 2004**

In approving these financial statements as director of the company I 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 2004 and

(c) that I acknowledge my 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 June 2002).

The financial statements were approved by the Board on 15/8/05 and signed on its behalf by



Mrs L M Land
Director

The notes on pages 6 to 8 form an integral part of these financial statements.

Style Stitch Limited

Notes to the financial statements for the year ended 31 December 2004

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 June 2002).

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
Fixtures, fittings and equipment	-	15% reducing balance
Computer equipment	-	33 1/3% straight line

1.4. Leasing

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

Stock is valued at the lower of cost and net realisable value.

1.6. Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences, to the extent that it is probable that a liability or asset will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

1.7. Going concern

These financial statements have been prepared on the going concern basis, the validity of which is dependant on the continued support of the shareholders of the company. In the absence of this support the going concern basis may be invalid and adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for further liabilities that may arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

2. Turnover

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

Style Stitch Limited

Notes to the financial statements for the year ended 31 December 2004

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3.	Operating loss	2004	2003		
		£	£		
	Operating loss is stated after charging:				
	Depreciation and other amounts written off tangible assets	3,587	4,984		
4.	Director's emoluments	2004	2003		
		£	£		
	Remuneration and other benefits	26,450	26,000		
5.	Tangible fixed assets	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Total
		£	£	£	£
	Cost				
	At 1 January 2004	40,542	1,794	7,088	49,424
	Additions	4,995	-	384	5,379
	At 31 December 2004	45,537	1,794	7,472	54,803
	Depreciation				
	At 1 January 2004	23,109	1,160	6,741	31,010
	Charge for the year	3,364	95	128	3,587
	At 31 December 2004	26,473	1,255	6,869	34,597
	Net book values				
	At 31 December 2004	19,064	539	603	20,206
	At 31 December 2003	17,433	634	347	18,414
6.	Debtors	2004	2003		
		£	£		
	Trade debtors	15,326	19,538		
	Called up share capital not paid	2	2		
	Prepayments and accrued income	75	33		
		15,403	19,573		

Style Stitch Limited

Notes to the financial statements for the year ended 31 December 2004

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7. Creditors: amounts falling due within one year	2004	2003
	£	£
Bank overdraft	14,560	10,966
Bank loan	1,300	1,300
Trade creditors	45,754	49,693
Other taxes and social security costs	7,139	4,134
Accruals and deferred income	1,613	1,523
	<u>70,366</u>	<u>67,616</u>
8. Creditors: amounts falling due after more than one year	2004	2003
	£	£
Bank loan	2,599	4,041
Director's loan account	23,961	20,393
	<u>26,560</u>	<u>24,434</u>
9. Share capital	2004	2003
	£	£
Authorised		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
Allotted and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
10. Related party transactions		
As at the 31 December 2004 the company owed the director Mrs L M Land £23,961 (2003: £20,393).		
11. Controlling interest		
The company is controlled by Mrs L M Land.		