

Registration number 2776405

Style Stitch Limited

Director's report and unaudited financial statements

for the year ended 31 December 2007

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Style Stutch Limited

Company information

Director	Mrs L M Morrison
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 2007**

The director presents her report and the financial statements for the year ended 31 December 2007

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	
	31/12/07	01/01/07
Mrs L M Morrison	2	2

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 17.10.08 and signed on its behalf by

Mrs L M Morrison
Director



Style Stitch Limited

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

In accordance with the engagement letter dated 13 July 2006, 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 2007 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

23 October 2008

Apsleys
Chartered Accountants

21 Bampton Street
Tiverton
Devon
EX16 6AA

Style Stitch Limited

**Profit and loss account
for the year ended 31 December 2007**

		2007	2006
	Notes	£	£
Turnover	2	192,484	141,176
Cost of sales		(106,121)	(90,282)
Gross profit		<u>86,363</u>	<u>50,894</u>
Administrative expenses		(57,193)	(56,172)
Operating profit/(loss)	3	<u>29,170</u>	<u>(5,278)</u>
Interest payable and similar charges		(1,036)	(1,951)
Profit/(loss) on ordinary activities before taxation		<u>28,134</u>	<u>(7,229)</u>
Tax on profit/(loss) on ordinary activities		<u>-</u>	<u>-</u>
Profit/(loss) on ordinary activities after taxation		<u>28,134</u>	<u>(7,229)</u>
Retained profit/(loss) for the year		<u>28,134</u>	<u>(7,229)</u>
Accumulated loss brought forward		(33,152)	(25,923)
Accumulated loss carried forward		<u><u>(5,018)</u></u>	<u><u>(33,152)</u></u>

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

Style Stitch Limited

**Balance sheet
as at 31 December 2007**

		2007		2006	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		28,843		24,180
Current assets					
Stocks		51,252		46,427	
Debtors	6	40,607		23,943	
		<u>91,859</u>		<u>70,370</u>	
Creditors, amounts falling due within one year	7	<u>(82,871)</u>		<u>(78,853)</u>	
Net current assets/(liabilities)			<u>8,988</u>		<u>(8,483)</u>
Total assets less current liabilities			37,831		15,697
Creditors, amounts falling due after more than one year	8		<u>(42,847)</u>		<u>(48,847)</u>
Deficiency of assets			<u>(5,016)</u>		<u>(33,150)</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account			<u>(5,018)</u>		<u>(33,152)</u>
Shareholders' funds			<u>(5,016)</u>		<u>(33,150)</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 9 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 2007**

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 2007 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 January 2007)

The financial statements were approved and authorised for issue by the Board on 17.10.08 and signed on its behalf by

Mrs L M Morrison
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 2007

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 January 2007)

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 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

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

1.6. Deferred taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences

1.7 Going concern

These financial statements have been prepared on the going concern basis, the validity of which is dependent 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 2007**

continued

3	Operating profit/(loss)	2007	2006
		£	£
	Operating profit/(loss) is stated after charging		
	Depreciation and other amounts written off tangible assets	5,619	5,156
		<u> </u>	<u> </u>

4	Director's emoluments	2007	2006
		£	£
	Remuneration and other benefits	28,600	28,600
		<u> </u>	<u> </u>

5	Tangible fixed assets	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
	Cost				
	At 1 January 2007	37,963	1,794	8,838	48,595
	Additions	7,800	1,931	551	10,282
	At 31 December 2007	<u>45,763</u>	<u>3,725</u>	<u>9,389</u>	<u>58,877</u>
	Depreciation				
	At 1 January 2007	14,883	1,405	8,127	24,415
	Charge for the year	4,632	348	639	5,619
	At 31 December 2007	<u>19,515</u>	<u>1,753</u>	<u>8,766</u>	<u>30,034</u>
	Net book values				
	At 31 December 2007	<u>26,248</u>	<u>1,972</u>	<u>623</u>	<u>28,843</u>
	At 31 December 2006	<u>23,080</u>	<u>389</u>	<u>711</u>	<u>24,180</u>

Style Stitch Limited

**Notes to the financial statements
for the year ended 31 December 2007**

continued

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

Asset description	2007		2006	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Plant and machinery	<u>15,353</u>	<u>9,647</u>	<u>18,062</u>	<u>6,938</u>
6 Debtors			2007 £	2006 £
Trade debtors			40,429	23,777
Prepayments and accrued income			<u>178</u>	<u>166</u>
			<u>40,607</u>	<u>23,943</u>
7 Creditors: amounts falling due within one year			2007 £	2006 £
Bank overdraft			16,564	14,841
Bank loan			-	1,014
Net obligations under finance leases and hire purchase contracts			5,000	5,000
Trade creditors			53,143	50,766
Other taxes and social security costs			6,431	5,599
Accruals and deferred income			<u>1,733</u>	<u>1,633</u>
			<u>82,871</u>	<u>78,853</u>
8 Creditors: amounts falling due after more than one year			2007 £	2006 £
Director's loan account			42,847	43,847
Net obligations under finance leases and hire purchase contracts			<u>-</u>	<u>5,000</u>
			<u>42,847</u>	<u>48,847</u>

Style Stitch Limited

**Notes to the financial statements
for the year ended 31 December 2007**

continued

9	Share capital	2007	2006
		£	£
	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 2007 the company owed the director Mrs L M Morrison £42,847 (2006 £43,847)

11 Controlling interest

The company is controlled by Mrs L M Morrison