

STYLE STITCH LIMITED
COMPANY INFORMATION

| | |
|--------------------------|--|
| Director | Mrs L M Land |
| Secretary | D R Land Esq |
| Registered Office | 21 Bampton Street Tiverton EX16 6AA |
| Accountants | Apsleys Chartered Accountants 21 Bampton Street Tiverton EX16 6AA |
| Bankers | National Westminster Bank plc 11 Fore Street Tiverton Devon |
| Company number | 2776405 |



STYLE STITCH LIMITED
REPORT OF THE DIRECTOR

The director presents her report and the accounts of the company for the year ended 31 December 1996.

Principal activities

The company produces corporate and club embroidery.

Director

The director who served during the year is set out below.

Her interest in the shares of the company was

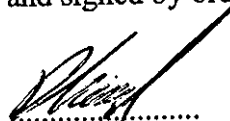
| | 31.12.96 | 31.12.95 |
|--------------|----------|----------|
| | ----- | ----- |
| Mrs L M Land | 1 | 1 |

This report has been prepared taking advantage of the special exemptions conferred by Part II of Schedule 8 of the Companies Act 1985.

Approval

The director's report was approved on26/10/97.....

and signed by order of the board



D R LAND

Secretary

STYLE STITCH LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1996

| | | <u>1996</u> | <u>1995</u> |
|---|-------|-------------|---------------|
| | Note | £ | £ |
| | ----- | | |
| Turnover - continuing operations | 2 | 143933 | 113188 |
| Cost of sales | | 99780 | 82052 |
| | | ----- | ----- |
| Gross profit | | 44153 | 31136 |
| Administrative expenses | | 41070 | 33866 |
| | | ----- | ----- |
| Operating profit (loss) - continuing operations | 3 | 3083 | (2730) |
| Interest payable and similar charges | | 1509 | 1730 |
| | | ----- | ----- |
| Profit (loss) on ordinary activities before taxation | | 1574 | (4460) |
| Tax on profit (loss) on ordinary activities | 4 | - | - |
| | | ----- | ----- |
| Profit (loss) on ordinary activities after taxation | 11 | <u>1574</u> | <u>(4460)</u> |

The only recognised gain/loss for the period is the profit for the year of £1574 (1995 loss £4460).

There were no acquisitions and no discontinued operations in the period.

The notes on pages 4 to 6 form part of these accounts

STYLE STITCH LIMITED

BALANCE SHEET

31 DECEMBER 1996

| | | 1996 | 1995 |
|--|------|---------|---------|
| | Note | £ | £ |
| Fixed assets | 5 | 2078 | 1445 |
| Current assets | | | |
| Stock | 6 | 14199 | 10305 |
| Debtors | 7 | 10124 | 9054 |
| | | 24323 | 19359 |
| Creditors: Amounts falling due within one year | 8 | 68038 | 64015 |
| Net current assets (liabilities) | | (43715) | (44656) |
| Total assets less current liabilities | | (41637) | (43211) |
| Creditors: Amounts falling due after more than one year | 9 | 2400 | 2400 |
| Net liabilities | | (44037) | (45611) |
| Share capital and reserves | | | |
| Share capital | 10 | 2 | 2 |
| Profit and loss account | 11 | (44039) | (45613) |
| Shareholders funds | 12 | (44037) | (45611) |

The director is satisfied that the company was entitled to exemption under Section (1) of Section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of this Section.

The director acknowledges her responsibilities for:-

- ensuring that the company keeps accounting records which comply with Section 221, and,
- preparing accounts 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 this Act relating to accounts so far as is applicable to the company.

The director has taken advantage of special exemptions conferred by Part 1 of Schedule 8 of the Companies Act 1985 and has done so on the grounds that in her opinion the company is entitled to these exemptions as a small company.

The accounts were approved by the board on 21/10/97 and signed by:



L M LAND (MRS)

The notes on pages 4 to 6 form part of these accounts

STYLE STITCH LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 1996

1. Accounting policies

The principal accounting policies adopted by the company in the preparation of its accounts are as follows:

Accounting convention

The accounts have been prepared under the historical cost convention.

Going concern

The accounts have been prepared on a going concern basis as in the opinion of the director there is adequate finance available to enable the company to meet its commitments as they fall due in the ordinary course of business.

Fixed assets

The cost of fixed assets is their purchase price together with any incidental expenses of acquisition.

Depreciation is provided on a reducing balance basis to write off the cost of fixed assets over their estimated useful lives as follows:

| | |
|---------------------|-----|
| Office equipment | 15% |
| Plant and machinery | 15% |

Turnover

Turnover comprises invoiced sales to customers, excluding value added tax.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Leased assets

Where an asset is leased on a basis which approximates to ownership that asset is capitalised and depreciated accordingly. The corresponding liability is shown as a lease creditor. The finance lease charge is charged to the profit and loss account in equal instalments over the period of the lease.

All other leases are operating leases and are charged straight to the profit and loss account when due.

2. Turnover

Turnover arises from the company's principal activities wholly in the United Kingdom.

3. Operating profit (loss)

Operating profit (loss) is arrived at after charging:

| | 1996 | 1995 |
|---|-------|-------|
| | ----- | ----- |
| | £ | £ |
| Directors remuneration | 18200 | 15050 |
| Depreciation | 367 | 255 |
| Hire of plant and machinery - operating lease | 9450 | 9525 |
| | ===== | ===== |

STYLE STITCH LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 1996

YEAR ENDED 31 DECEMBER 1996

| | | | | |
|----|--|---------------------|------------------|-------|
| 4. | Tax on profit on ordinary activities | | 1996 | 1995 |
| | | | £ | £ |
| | Corporation tax at 25% | | Nil | Nil |
| 5. | Tangible fixed assets | Plant and machinery | Office equipment | Total |
| | | | | |
| | Cost | £ | £ | £ |
| | As at 1 January 1996 | 1598 | 400 | 1998 |
| | Additions | 880 | 120 | 1000 |
| | As at 31 December 1996 | 2478 | 520 | 2998 |
| | Depreciation | | | |
| | As at 1 January 1996 | 399 | 154 | 553 |
| | Depreciation charge | 312 | 55 | 367 |
| | As at 31 December 1996 | 711 | 209 | 920 |
| | Net book value 31 December 1996 | 1767 | 311 | 2078 |
| | Net book value 1 January 1996 | 1199 | 246 | 1445 |
| 6. | Stocks | | 1996 | 1995 |
| | | | £ | £ |
| | Work in progress | | 3550 | 2500 |
| | Stock of garments, materials and threads | | 10649 | 7805 |
| | | | 14199 | 10305 |
| 7. | Debtors | | 1996 | 1995 |
| | | | £ | £ |
| | Trade debtors | | 10122 | 9052 |
| | Called up share capital not paid | | 2 | 2 |
| | | | 10124 | 9054 |
| 8. | Creditors: Amounts falling due within one year | | 1996 | 1995 |
| | | | £ | £ |
| | Bank overdraft | | 14903 | 14849 |
| | Trade creditors | | 43944 | 36813 |
| | Other creditors | | 1732 | 500 |
| | Other taxes and Social Security | | 5494 | 10296 |
| | Accruals | | 1965 | 1557 |
| | | | 68038 | 64015 |

STYLE STITCH LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 1996

9. Creditors: Amounts falling due after more than one year

| | 1996 | 1995 |
|---------------------------|-------|-------|
| | ----- | ----- |
| | £ | £ |
| Directors current account | 2400 | 2400 |
| | ===== | ===== |

10. Called up share capital

| | 1996 | 1995 |
|--|-------|-------|
| | ----- | ----- |
| Authorised 100 ordinary shares of £1 each | 100 | 100 |
| | ===== | ===== |
| Allotted and called up 2 ordinary shares of £1 each | 2 | 2 |
| | ===== | ===== |

11. Profit and loss account

| | 1996 | 1995 |
|------------------------|---------|---------|
| | ----- | ----- |
| | £ | £ |
| As at 1 January | (45613) | (41153) |
| Profit (loss) for year | 1574 | (4460) |
| | ----- | ----- |
| As at 31 December | (44039) | (45613) |
| | ===== | ===== |

12. Reconciliation of movements in shareholders funds

| | 1996 | 1995 |
|--|---------|---------|
| | ----- | ----- |
| | £ | £ |
| Profit (loss) for the financial period | 1574 | (4460) |
| Opening shareholders funds | (45611) | (41151) |
| | ----- | ----- |
| Closing shareholders funds | (44037) | (45611) |
| | ===== | ===== |

13. Leasing commitment

At 31 December 1996 the company had annual commitments under operating leases as detailed below:

| | £ |
|-----------------|-------|
| Within one year | 8400 |
| | ===== |