

COMPANY REGISTRATION NUMBER 1763122

Stikatak Limited
Abbreviated Financial Statements
For the year ended
31 December 2007

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Stikatak Limited

Abbreviated Accounts

Year ended 31 December 2007

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Stikatak Limited

Company Information

The Board of Directors	Mr John C Whiting Mr John S L Stock Mrs Anjana Thakrar Mr David Hume Mr Paul Smith
Company Secretary	Mrs Anjana Thakrar
Registered Office	Unit J Braintree Road Industrial Estate Braintree Road Ruislip Middlesex HA4 0EG
Auditor	Landau Morley LLP Chartered Accountants & Registered Auditors Lanmor House 370/386 High Road Wembley Middlesex HA9 6AX
Bankers	Barclays Bank PLC 28 Hampstead High Street London NW3 1QB

Stikatak Limited

The Directors' Report

Year ended 31 December 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2007

Principal Activities and Business Review

The principal activity of the company continued to be that of the manufacture and supply of carpet accessories

Increased sales have led to an increase in gross profit from £5.3m to £6.0m but this has been affected by the ongoing need to control the ever increasing cost of raw material. The company will continue to succeed so long as it never forgets to look after its customers in the way in which they have come to expect.

Other than the normal uncertainties of business, the Directors are confident that the company can continue to prosper and build on the profitability of its business.

Results and Dividends

The profit for the year, after taxation, amounted to £899,929. The directors have not recommended a dividend.

Directors

The directors who served the company during the year were as follows:

Mr John C. Whiting
Mr John S. L. Stock
Mrs Anjana Thakrar
Mr David Hume
Mr Paul Smith

Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

select suitable accounting policies and then apply them consistently,

make judgements and estimates that are reasonable and prudent,

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Stikatak Limited

The Directors' Report *(continued)*

Year ended 31 December 2007

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

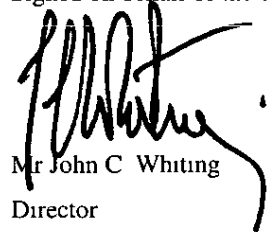
there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The directors, having been notified of the cessation of the Partnership known as Landau Morley, resolved that Landau Morley LLP be appointed as successor auditor with effect from 1st October 2007, in accordance with the provisions of the Companies Act 1989, s26(5).

Signed on behalf of the directors



Mr John C Whiting
Director

Approved by the directors on 3 April 2008

Stikatak Limited

INDEPENDENT AUDITOR'S REPORT TO STIKATAK LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 5 to 14, together with the financial statements of Stikatak Limited for the year ended 31 December 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Directors and the Auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of Opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Lanmor House
370/386 High Road
Wembley
Middlesex
HA9 6AX

3/4/08

LANDAU MORLEY LLP
Chartered Accountants
& Registered Auditors

Stikatak Limited**Abbreviated Profit and Loss Account****Year ended 31 December 2007**

	Note	2007 £	2006 £
Gross Profit		5,989,046	5,265,144
Distribution costs		3,154,454	3,089,431
Administrative expenses		1,569,304	1,727,064
Operating Profit	2	1,265,288	448,649
Interest receivable		65,063	41,300
Interest payable and similar charges	5	(46,055)	(39,742)
Profit on Ordinary Activities Before Taxation		1,284,296	450,207
Tax on profit on ordinary activities	6	384,367	108,184
Profit for the Financial Year		899,929	342,023

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

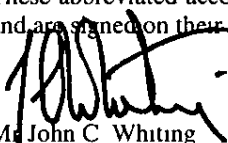
The notes on pages 8 to 14 form part of these abbreviated accounts.


Stikatak Limited
Abbreviated Balance Sheet
31 December 2007

	Note	2007 £	2006 £
Fixed Assets			
Tangible assets	7	941,172	917,780
Current Assets			
Stocks	8	1,553,629	1,896,883
Debtors	9	2,857,993	2,424,054
Cash at bank		1,176,692	673,272
		<u>5,588,314</u>	<u>4,994,209</u>
Creditors. Amounts Falling due Within One Year	10	<u>2,489,381</u>	<u>2,773,876</u>
Net Current Assets		3,098,933	2,220,333
Total Assets Less Current Liabilities		<u>4,040,105</u>	<u>3,138,113</u>
Provisions for Liabilities			
Deferred taxation	11	25,004	22,941
		<u>4,015,101</u>	<u>3,115,172</u>
Capital and Reserves			
Called-up equity share capital	14	6,000	6,000
Profit and loss account	15	4,009,101	3,109,172
Shareholders' Funds	16	<u>4,015,101</u>	<u>3,115,172</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors and authorised for issue on 3 April 2008, and are signed on their behalf by


Mr John C Whiting


Mr John S L Stock
Directors

The notes on pages 8 to 14 form part of these abbreviated accounts

Stikatak Limited

Cash Flow Statement

Year ended 31 December 2007

	Note	2007 £	2006 £
Net Cash Inflow/(Outflow) From Operating Activities	17	990,822	(638,642)
Returns on Investments and Servicing of Finance			
Interest received		65,063	41,300
Interest paid		(308,431)	(37,422)
Net Cash (Outflow)/Inflow From Returns on Investments and Servicing of Finance		(243,368)	3,878
Taxation		(115,734)	(92,299)
Capital Expenditure			
Payments to acquire tangible fixed assets		(154,419)	(66,118)
Receipts from sale of fixed assets		19,711	12,701
Net Cash Outflow From Capital Expenditure		(134,708)	(53,417)
Increase/(Decrease) in Cash		497,012	(780,480)

Reconciliation of Net Cash Flow to Movement in Net Funds

	2007 £	2006 £
Increase/(Decrease) in cash in the period	497,012	(780,480)
Movement in net funds in the period	497,012	(780,480)
Net funds at 1 January 2007	18 673,272	1,453,752
Net funds at 31 December 2007	18 1,170,284	673,272

The notes on pages 8 to 14 form part of these abbreviated accounts.

Stikatak Limited

Notes to the Abbreviated Accounts

Year ended 31 December 2007

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT

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

Freehold Property	- 2% on cost
Plant & Machinery	- 20% reducing balance or 25% straight line
Fixtures & Fittings	- 25% reducing balance
Motor Vehicles	- 25% on cost
Racking & Shelving	- 50% 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

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight-line basis over the lease term.

Contributions to Pension Funds

The Company provides pension benefits to its directors through insured arrangements which are separate from the Company's own finances.

Pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Deferred Taxation

Deferred tax is recognised in respect of all material 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 exception of deferred tax assets which 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.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Stikatak Limited

Notes to the Abbreviated Accounts

Year ended 31 December 2007

1. Accounting Policies *(continued)*

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. Operating Profit

Operating profit is stated after charging/(crediting)

	2007	2006
	£	£
Depreciation of owned fixed assets	123,650	145,698
Profit on disposal of fixed assets	(12,334)	(6,032)
Auditor's remuneration		
- as auditor	12,518	8,634
Net profit on foreign currency translation	(3,285)	-
Other operating lease rentals	<u>297,992</u>	<u>257,473</u>

3. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to

	2007	2006
	No	No
Number of production staff	21	23
Number of selling and distribution staff	33	33
Number of administrative staff	9	10
	<u>63</u>	<u>66</u>

The aggregate payroll costs of the above were

	2007	2006
	£	£
Wages and salaries	1,735,430	2,093,098
Social security costs	161,439	180,280
Other pension costs	6,888	8,558
	<u>1,903,757</u>	<u>2,281,936</u>

4. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were

	2007	2006
	£	£
Emoluments receivable	<u>398,965</u>	<u>657,658</u>

Emoluments of highest paid director:

	2007	2006
	£	£
Total emoluments (excluding pension contributions)	<u>124,129</u>	<u>302,780</u>

Stikatak Limited

Notes to the Abbreviated Accounts

Year ended 31 December 2007

4. Directors' Emoluments *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows

	2007	2006
	No.	No
Money purchase schemes	<u>2</u>	<u>2</u>

5. Interest Payable and Similar Charges

	2007	2006
	£	£
Interest on directors loan accounts	<u>46,055</u>	<u>39,742</u>

6. Taxation on Ordinary Activities

(a) Analysis of charge in the year

	2007	2006
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 30% (2006 - 30%)	382,304	115,734
Total current tax	<u>382,304</u>	<u>115,734</u>
Deferred tax		
Origination and reversal of timing differences	2,063	(7,550)
Tax on profit on ordinary activities	<u>384,367</u>	<u>108,184</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2006 - 30%)

	2007	2006
	£	£
Profit on ordinary activities before taxation	<u>1,284,296</u>	<u>450,207</u>
Profit on ordinary activities by rate of tax	385,289	135,062
Expenses not deductible	2,886	513
Capital allowances (in excess of)/less than depreciation	(545)	8,227
Effect of marginal relief	(5,326)	(28,068)
Total current tax (note 6(a))	<u>382,304</u>	<u>115,734</u>

Stikatak Limited

Notes to the Abbreviated Accounts

Year ended 31 December 2007

7. Tangible Fixed Assets

	Freehold & Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Racking & Shelving £	Total £
Cost						
At 1 Jan 2007	552,264	1,035,114	190,620	111,721	116,451	2,006,170
Additions	9,000	41,970	25,104	78,345	–	154,419
Disposals	–	–	–	(57,554)	–	(57,554)
At 31 Dec 2007	<u>561,264</u>	<u>1,077,084</u>	<u>215,724</u>	<u>132,512</u>	<u>116,451</u>	<u>2,103,035</u>
Depreciation						
At 1 Jan 2007	20,373	728,011	155,111	68,444	116,451	1,088,390
Charge for the year	4,325	69,815	17,403	32,107	–	123,650
On disposals	–	–	–	(50,177)	–	(50,177)
At 31 Dec 2007	<u>24,698</u>	<u>797,826</u>	<u>172,514</u>	<u>50,374</u>	<u>116,451</u>	<u>1,161,863</u>
Net Book Value						
At 31 Dec 2007	<u>536,566</u>	<u>279,258</u>	<u>43,210</u>	<u>82,138</u>	<u>–</u>	<u>941,172</u>
At 31 Dec 2006	<u>531,891</u>	<u>307,103</u>	<u>35,509</u>	<u>43,277</u>	<u>–</u>	<u>917,780</u>

8. Stocks

	2007 £	2006 £
Raw materials	521,035	863,946
Goods for re-sale	1,032,594	1,032,937
	<u>1,553,629</u>	<u>1,896,883</u>

9. Debtors

	2007 £	2006 £
Trade debtors	2,760,287	2,309,729
Other debtors	7,937	3,170
Prepayments and accrued income	89,769	111,155
	<u>2,857,993</u>	<u>2,424,054</u>

Stikatak Limited

Notes to the Abbreviated Accounts

Year ended 31 December 2007

10. Creditors: Amounts Falling due Within One Year

	2007 £	2006 £
Bank loans and overdrafts	6,408	—
Trade creditors	883,180	651,532
Corporation tax	382,304	115,734
Other taxation and social security	150,573	127,796
Other creditors	193,113	616,175
Accruals and deferred income	873,803	1,262,639
	<u>2,489,381</u>	<u>2,773,876</u>

The Company's bankers have a fixed and floating charge over the Company's assets and a first party charge over the Company's freehold property

11. Deferred Taxation

The movement in the deferred taxation provision during the year was

	2007 £	2006 £
Provision brought forward	22,941	30,491
Profit and loss account movement arising during the year	2,063	(7,550)
Provision carried forward	<u>25,004</u>	<u>22,941</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2007 £	2006 £
Excess of taxation allowances over depreciation on fixed assets	25,004	22,941
	<u>25,004</u>	<u>22,941</u>

12. Commitments under Operating Leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below

	Land & Buildings	
	2007 £	2006 £
Operating leases which expire		
Within 2 to 5 years	153,860	153,860
After more than 5 years	145,052	143,932
	<u>298,912</u>	<u>297,792</u>

Stikatak Limited

Notes to the Abbreviated Accounts

Year ended 31 December 2007

13. Related Party Transactions

The company was under the control of Mr J C Whiting throughout the current and previous year
Mr J C Whiting is a director and owns 75% of the issued share capital of the Company

	2007	2006
	£	£

Details of related party transactions are as follows

Stikatak Directors Pension Fund - Pension Fund controlled by the directors

Rent payable	255,712	215,473
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At the balance sheet date an amount of £10,913 (2006 £10,913) was included in accruals payable to Stikatak Directors Pension Fund

Mr J C Whiting - Director and majority shareholder

Rent payable	31,710	31,500
Loan interest payable	42,732	34,579
Amounts owed	-	482,605

Mr J S L Stock - Director and minority shareholder

Rent payable	10,570	10,500
Loan interest payable	3,323	5,163
Amounts owed	-	53,053

Rent and Interest payable by the company are on a commercial basis

14 Share Capital

Authorised share capital:

	2007	2006
	£	£
100,000 Ordinary shares of £1 each	100,000	100,000

Allotted, called up and fully paid:

	2007		2006	
	No.	£	No.	£
Ordinary shares of £1 each	6,000	6,000	6,000	6,000

Stikatak Limited

Notes to the Abbreviated Accounts

Year ended 31 December 2007

15. Reserves

	Profit and loss account £
Balance brought forward	3,109,172
Profit for the year	899,929
Balance carried forward	<u>4,009,101</u>

16. Reconciliation of Movements in Shareholders' Funds

	2007 £	2006 £
Profit for the financial year	899,929	342,023
Opening shareholders' funds	3,115,172	2,773,149
Closing shareholders' funds	<u>4,015,101</u>	<u>3,115,172</u>

17. Reconciliation of Operating Profit to Net Cash Inflow/(Outflow) From Operating Activities

	2007 £	2006 £
Operating profit	1,265,288	448,649
Depreciation	123,650	145,698
Profit on disposal of fixed assets	(12,334)	(6,032)
Decrease/(increase) in stocks	343,254	(661,559)
Increase in debtors	(433,939)	(686,560)
(Decrease)/increase in creditors	(295,097)	121,162
Net cash inflow/(outflow) from operating activities	<u>990,822</u>	<u>(638,642)</u>

18. Analysis of Changes in Net Funds

	At 1 Jan 2007 £	Cash flows £	At 31 Dec 2007 £
Net cash			
Cash in hand and at bank	673,272	503,420	1,176,692
Overdrafts	-	(6,408)	(6,408)
Net funds	<u>673,272</u>	<u>497,012</u>	<u>1,170,284</u>