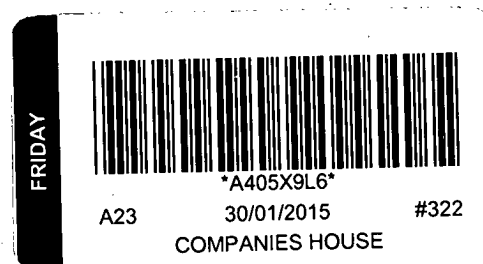


Financial Statements Sketch Studios Limited

For the year ended 30 April 2014



Registered number: 05719973

Company Information

Directors

A Stamatis
J M R Odey
C G Lucking
R J King (appointed 27 March 2014)
N Hudson
L Day
J M Bass

Company secretary

N Hudson

Registered number

05719973

Registered office

The Old Post Office
33 Station Road
EGHAM
Surrey
TW20 9LA

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
1020 Eskdale Road
Winnersh
READING
Berkshire
RG41 5TS

Sketch Studios Limited

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Directors' Report

For the year ended 30 April 2014

The directors present their report and the financial statements for the year ended 30 April 2014.

Results and dividends

The profit for the year, after taxation, amounted to £786,560 (2013 - £676,850).

Particulars of dividends paid are detailed in note 13 to the financial statements.

Principal activities

The principal activity of the company continued to be that of furniture procurement and installation.

Directors

The directors who served during the year were:

A Stamatīs
J M R Odey
C G Lucking
R J King (appointed 27 March 2014)
N Hudson
L Day
J M Bass

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgments and accounting 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.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Directors' Report

For the year ended 30 April 2014

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

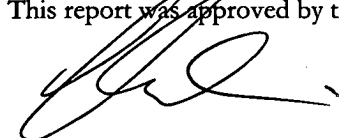
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Grant Thornton UK LLP were appointed auditor during the period to fill a casual vacancy in accordance with section 485(3) of the Companies Act 2006 and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 22 January 2015 and signed on its behalf.



C G Lucking
Director

Independent Auditor's Report to the Members of Sketch Studios Limited

We have audited the financial statements of Sketch Studios Limited for the year ended 30 April 2014, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Sketch Studios Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report and in preparing the Directors' report.

A handwritten signature in black ink, appearing to read "Grant Thornton UK LLP".

James Rogers (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

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Date: 23 January 2015.

Profit and Loss Account

For the year ended 30 April 2014

	Note	2014 £	2013 £
Turnover	1	14,616,543	10,962,000
Cost of sales		<u>(10,220,648)</u>	<u>(7,693,947)</u>
Gross profit		4,395,895	3,268,053
Administrative expenses		<u>(3,382,191)</u>	<u>(2,379,875)</u>
Operating profit	3	1,013,704	888,178
Interest receivable and similar income		12,848	14,853
Interest payable and similar charges		<u>(30)</u>	<u>-</u>
Profit on ordinary activities before taxation		1,026,522	903,031
Tax on profit on ordinary activities	5	<u>(240,106)</u>	<u>(226,181)</u>
Profit for the financial year	12	<u><u>786,416</u></u>	<u><u>676,850</u></u>

The notes on pages 7 to 13 form part of these financial statements.

Balance Sheet

As at 30 April 2014

	Note	£	2014 £	2013 £
Fixed assets				
Tangible assets	6		163,381	68,028
Current assets				
Stocks	7	235,541	260,042	
Debtors	8	1,509,726	2,542,299	
Cash at bank		1,808,869	139,249	
		<u>3,554,136</u>	<u>2,941,590</u>	
Creditors: amounts falling due within one year	9	<u>(2,884,152)</u>	<u>(2,310,471)</u>	
Net current assets			<u>669,984</u>	<u>631,119</u>
Total assets less current liabilities			<u>833,365</u>	<u>699,147</u>
Provisions for liabilities				
Deferred tax	10		<u>(3,989)</u>	<u>-</u>
Net assets			<u><u>829,376</u></u>	<u><u>699,147</u></u>
Capital and reserves				
Called up share capital	11		1,000	1,000
Profit and loss account	12		<u>828,376</u>	<u>698,147</u>
Shareholders' funds			<u><u>829,376</u></u>	<u><u>699,147</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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

22 January 2015.



C G Lucking
Director

The notes on pages 7 to 13 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 April 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

The directors have prepared the financial statements on the going concern basis and believe that the company can continue to meet its liabilities as and when they fall due.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover represents amounts charged to clients for the performance of the design of commercial interiors provided during the period excluding VAT and trade discounts.

Turnover is recognised when a right to consideration has been obtained through performance under each contract. This occurs when the equipment has been delivered and installation is substantially complete.

Turnover is not recognised where the right to payment is contingent on events outside the control of the Company. Unbilled revenue is included in debtors as accrued income. Amounts billed on account of contracts in progress are shown as deferred revenue, to the extent that they are not recognised as revenue.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and Building	-	20 - 50% straight line
Other plant & machinery	-	50% straight line

1.6 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Notes to the Financial Statements

For the year ended 30 April 2014

1. Accounting Policies (continued)

1.7 Stocks

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

1.11 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. Turnover

0.1% of the company's turnover (2013 - 3.4%) is attributable to geographical markets outside the United Kingdom.

Notes to the Financial Statements

For the year ended 30 April 2014

3. Operating profit

The operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	45,604	24,822
Auditor's remuneration	6,475	7,725
Auditor's remuneration - non-audit	1,888	-
Pension costs	41,959	31,893
Operating lease costs	7,638	5,921
Difference on foreign exchange	-	(6)
	<u> </u>	<u> </u>

4. Directors' remuneration

	2014 £	2013 £
Aggregate remuneration	<u>480,697</u>	<u>377,365</u>

During the year retirement benefits were accruing to 4 directors (2013 - 3) in respect of defined contribution pension schemes.

5. Taxation

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	226,923	230,856
Adjustments in respect of prior periods	-	2,271
Total current tax	<u>226,923</u>	<u>233,127</u>
Deferred tax (see note 10)		
Origination and reversal of timing differences	13,183	(6,946)
Tax on profit on ordinary activities	<u>240,106</u>	<u>226,181</u>

Notes to the Financial Statements

For the year ended 30 April 2014

6. Tangible fixed assets

	Leasehold improvements £	Other plant & machinery £	Total £
Cost			
At 1 May 2013	32,337	72,944	105,281
Additions	91,321	49,636	140,957
At 30 April 2014	123,658	122,580	246,238
Depreciation			
At 1 May 2013	-	37,253	37,253
Charge for the year	19,459	26,145	45,604
At 30 April 2014	19,459	63,398	82,857
Net book value			
At 30 April 2014	104,199	59,182	163,381
At 30 April 2013	32,337	35,691	68,028

7. Stocks

	2014 £	2013 £
Work in progress	235,541	260,042

8. Debtors

	2014 £	2013 £
Trade debtors	961,593	762,334
Amounts owed by group undertakings	-	1,277,542
Other debtors	548,133	493,229
Deferred tax asset (see note 10)	-	9,194
	1,509,726	2,542,299

Notes to the Financial Statements

For the year ended 30 April 2014

9. Creditors:

Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	832,957	421,247
Amounts owed to group undertakings	26,989	522,051
Corporation tax	148,198	137,670
Other taxation and social security	311,062	71,345
Dividend proposed	218,410	-
Other creditors	1,346,536	1,158,158
	<u>2,884,152</u>	<u>2,310,471</u>

10. Deferred taxation

	2014	2013
	£	£
At beginning of year	9,194	2,248
(Charge for)/released during year (P&L)	(13,183)	6,946
At end of year	<u>(3,989)</u>	<u>9,194</u>

The deferred taxation balance is made up as follows:

	2014	2013
	£	£
Accelerated capital allowances	<u>3,989</u>	<u>9,194</u>

11. Share capital

	2014	2013
	£	£
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Notes to the Financial Statements

For the year ended 30 April 2014

12. Reserves

	Profit and loss account £
At 1 May 2013	698,147
Profit for the financial year	786,416
Dividends (note 13)	(656,187)
At 30 April 2014	<u>828,376</u>

13. Dividends

	2014 £	2013 £
Dividends paid or declared on equity capital	<u>656,187</u>	<u>500,000</u>

14. Capital commitments

The company had no capital commitments at 30 April 2014 (2013 - £nil).

15. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independent administered fund. Contributions totalling £41,959 (2013 - £22,667) were payable to the fund during the year. No contributions were outstanding at 30 April 2014 or 30 April 2013.

16. Operating lease commitments

At 30 April 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Expiry date:				
Between 2 and 5 years	<u>29,243</u>	<u>29,243</u>	<u>6,360</u>	<u>13,403</u>

17. Related party transactions

The company has taken advantage of the exemption in the Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that it is a wholly owned subsidiary.

Notes to the Financial Statements

For the year ended 30 April 2014

18. Ultimate parent undertaking

The ultimate parent company and both the smallest and largest group for which consolidated accounts, which include Sketch Studios Limited, are available is Fourfront Group Limited, a company incorporated in England & Wales Consolidated accounts for the group are available from Fourfront Group Limited, The Old Post Office, 33 Station Road, Egham, Surrey, TW20 9LA.