

Company Registration No 03291538 (England and Wales)

CHIMNEY COWLS LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2009

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COMPANIES HOUSE

Carpenter Box LLP
Chartered Accountants
Grafton Lodge
15 Grafton Road
Worthing
West Sussex
BN11 1QR

CHIMNEY COWLS LIMITED

COMPANY INFORMATION

Directors	Mr P R Stedman Mr J Stedman
Secretary	Mr R Birchenough
Company number	03291538
Registered office	50-51 Lineside Industrial Estate Eldon Way Littlehampton West Sussex BN17 7HE
Auditors	Carpenter Box LLP Grafton Lodge 15 Grafton Road Worthing West Sussex BN11 1QR
Solicitors	Clarke Willmott Burlington House Botley Grange Business Park Southampton Hampshire SO30 2DF

CHIMNEY COWLS LIMITED

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CHIMNEY COWLS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and financial statements for the year ended 31 December 2009

Principal activities

The principal activity of the company continued to be that of the sale and marketing of chimney cowls and associated products

Directors

The following directors have held office since 1 January 2009

Mr P R Stedman

Mr J Stedman

Auditors

In accordance with the company's articles, a resolution proposing that Carpenter Box LLP be reappointed as auditors of the company will be put at a General Meeting

CHIMNEY COWLS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

Statement of directors' responsibilities

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 judgements 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



Mr R Birchenough

Secretary

16/9/2010

CHIMNEY COWLS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CHIMNEY COWLS LIMITED

We have audited the financial statements of Chimney Cows Limited for the year ended 31 December 2009 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 auditors' 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 auditors

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 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 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 APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 31 December 2009 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.

Emphasis of matter - going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1.1 to the financial statements concerning the company's ability to continue as a going concern. Whilst the company retains net assets and recorded a profit for the year to 31 December 2009, it remains interdependent with its parent company. Collectively the group recorded a loss for the year to 31 December 2009. These conditions, along with the other matters explained in note 1.1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

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.

CHIMNEY COWLS LIMITED


INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF CHIMNEY COWLS 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 and the directors' report in accordance with the small companies regime


R W Dowling FCA (Senior Statutory Auditor)
for and on behalf of Carpenter Box LLP
~~Chartered Accountants~~
Statutory Auditor
Worthing

16 September 2010

CHIMNEY COWLS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2009

		2009	2008
	Notes	£	£
Turnover	2	1,728,129	1,532,265
Cost of sales		(909,086)	(767,019)
Gross profit		819,043	765,246
Administrative expenses		(800,000)	(740,000)
Profit on ordinary activities before taxation		19,043	25,246
Tax on profit on ordinary activities	3	-	-
Profit for the year	8	19,043	25,246

CHIMNEY COWLS LIMITED


BALANCE SHEET

AS AT 31 DECEMBER 2009

	Notes	2009 £	£	2008 £	£
Current assets					
Stocks	4	130,020		159,900	
Debtors	5	1,900,425		3,120,853	
		<u>2,030,445</u>		<u>3,280,753</u>	
Creditors amounts falling due within one year	6	<u>(82,683)</u>		<u>(1,352,034)</u>	
Total assets less current liabilities		<u>1,947,762</u>		<u>1,928,719</u>	
Capital and reserves					
Called up share capital	7		1		1
Profit and loss account	8	<u>1,947,761</u>		<u>1,928,718</u>	
Shareholders' funds		<u>1,947,762</u>		<u>1,928,719</u>	

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

Approved by the Board for issue on 16/9/2010


Mr P R Sedman
Director

Company Registration No 03291538 (England and Wales)

CHIMNEY COWLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

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 April 2008)

The company has net assets and net current assets but remains dependent upon the infrastructure and support of its parent company. The parent company has undertaken to support the company for a period not less than twelve months from the approval date of the accounts. The group suffered losses in the year to 31 December 2009, and cashflow forecasts for 2010/11 indicated the need for additional financing and potential group restructuring, for the group to continue as a going concern. This new financing and restructuring has been put in place after the balance sheet date. The directors deem it appropriate to prepare these accounts on the going concern basis.

1.2 Turnover

Turnover represents amounts receivable for goods net of VAT and trade discounts and is recognised on despatch.

1.3 Stock

Stock is valued at the lower of cost, including attributable overheads where appropriate, and net realisable value, on a first in first out basis.

1.4 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

In the year to 31 December 2009 15.05% (2008 - 18.21%) of the company's turnover was to markets outside the United Kingdom.

3 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

4 Stocks

	2009 £	2008 £
Finished goods and goods for resale	<u>130,020</u>	<u>159,900</u>

CHIMNEY COWLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

5 Debtors	2009 £	2008 £
Trade debtors	182,470	211,951
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,717,954	2,908,901
Other debtors	1	1
	<u>1,900,425</u>	<u>3,120,853</u>

6 Creditors amounts falling due within one year	2009 £	2008 £
Trade creditors	82,683	141,782
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	1,210,252
	<u>82,683</u>	<u>1,352,034</u>

7 Share capital	2009 £	2008 £
Authorised		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 Ordinary Shares of £1 each	<u>1</u>	<u>1</u>

8 Statement of movements on profit and loss account	Profit and loss account £
Balance at 1 January 2009	1,928,718
Profit for the year	<u>19,043</u>
Balance at 31 December 2009	<u>1,947,761</u>

CHIMNEY COWLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

9 Control

In the director's opinion, for the year ended 31 December 2009, the immediate parent company is The Loft Shop Limited, a company registered in England and Wales, and the ultimate parent company is The Loft Shop Group Limited, a company also registered in England and Wales. The ultimate controlling party is Mr P R Stedman.

The Loft Shop Limited prepares group financial statements and copies can be obtained from its registered office.

10 Related party transactions

The company has taken advantage of the exemption in the Financial Reporting Standard for Smaller Entities (effective April 2008) from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

11 Post balance sheet events

After the balance sheet date the company's ultimate parent company, The Loft Shop Group Limited, entered into voluntary liquidation. Following a group reorganisation the new ultimate parent company became Mensted Limited (formerly The Loft Centre Limited).

CHIMNEY COWLS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2009

		2009		2008
	£	£	£	£
Turnover				
Sales		1,728,129		1,532,265
Cost of sales				
Purchases	909,086		767,019	
		(909,086)		(767,019)
Gross profit	47.39%	819,043	49.94%	765,246
Administrative expenses		(800,000)		(740,000)
Operating profit		19,043		25,246
Profit before taxation	1.10%	19,043	1.65%	25,246

CHIMNEY COWLS LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	£	£
Administrative expenses		
Management charges	800,000	740,000
	<hr/>	<hr/>
	800,000	740,000
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