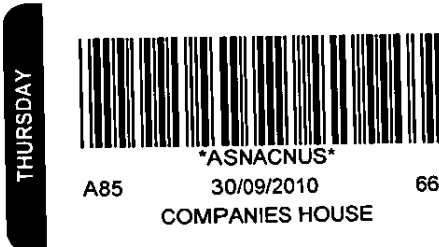


REGISTERED NUMBER: 04118155 (England and Wales)

**ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2009**

**FOR**

**CHORTOX LIMITED**



**CHORTEX LIMITED**

**CONTENTS OF THE ABBREVIATED ACCOUNTS**  
**for the Year Ended 31 December 2009**

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**CHORTEX LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 December 2009**

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**DIRECTORS:** Mr J M Storey  
Mr O Uyanik  
Mr A Zora

**SECRETARY:** Mr J M Storey

**REGISTERED OFFICE:** Victoria House  
Unit 2 Blackrod Mill  
Blackrod  
Bolton  
BL6 5GP

**REGISTERED NUMBER:** 04118155 (England and Wales)

**AUDITORS:** Warnings Business Advisers LLP, Statutory Auditor  
Bedford House  
60 Chorley New Road  
Bolton  
BL1 4DA

**BANKERS:** Bank of Scotland  
15 Queen Street  
Nottingham  
NG1 2BL

**SOLICITORS:** Pannone LLP  
123 Deansgate  
Manchester  
M3 2BU

**REPORT OF THE INDEPENDENT AUDITORS TO**  
**CHORTEX LIMITED**  
**UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages three to five, together with the full financial statements of Chortex Limited for the year ended 31 December 2009 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 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 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

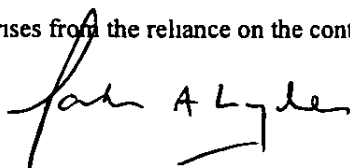
**Other information**

On 29 September 2010 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 31 December 2009 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

**"Emphasis of matter**

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the company's ability to continue as a going concern."

The material uncertainty arises from the reliance on the continuing financial support given by a related party supplier.



Patrick A Lydon (Senior Statutory Auditor)  
for and on behalf of Warings Business Advisers LLP, Statutory Auditor  
Bedford House  
60 Chorley New Road  
Bolton  
BL1 4DA

29 September 2010

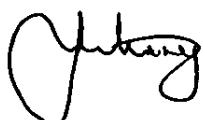


**CHORTEX LIMITED****ABBREVIATED BALANCE SHEET****31 December 2009**

	Notes	31 12 09 £	31 12 08 £
<b>CURRENT ASSETS</b>			
Stocks		1,052,199	889,221
Debtors amounts falling due within one year		889,177	1,021,283
Debtors amounts falling due after more than one year	2	507,558	507,543
Cash at bank		7,897	3,234
		<u>2,456,831</u>	<u>2,421,281</u>
<b>CREDITORS</b>			
Amounts falling due within one year	3	2,199,293	2,104,937
<b>NET CURRENT ASSETS</b>		<u>257,538</u>	<u>316,344</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		257,538	316,344
<b>CREDITORS</b>			
Amounts falling due after more than one year	3	248,973	306,769
<b>NET ASSETS</b>		<u><u>8,565</u></u>	<u><u>9,575</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	1	1
Profit and loss account		8,564	9,574
<b>SHAREHOLDERS' FUNDS</b>		<u><u>8,565</u></u>	<u><u>9,575</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 29 September 2010 and were signed on its behalf by



Mr J M Storey - Director

The notes form part of these abbreviated accounts

## **CHORTEX LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS** **for the Year Ended 31 December 2009**

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#### **1 ACCOUNTING POLICIES**

##### **Going concern**

The financial statements have been prepared on a going concern basis. However, there is a significant material uncertainty in existence of which the directors are aware in making this assessment. Namely, this is

- Reliance on the continuing financial support given by Zorel Tekstil San Dis Ticaret A S, the company's major supplier and related party by virtue of common directorship,

The directors have prepared projections which demonstrate that the company can continue to trade as a going concern for the foreseeable future with the continued support confirmed by the directors of Zorel Tekstil san Dis Ticaret A S

##### **Accounting convention**

The financial statements have been prepared in accordance with applicable accounting standards

The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial statements

##### **Preparation of consolidated financial statements**

The company forms part of a small group. The ultimate parent company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts

The financial statements present information about the company as an individual undertaking and not about its group

##### **Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

##### **Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items



## **CHORTEX LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS - continued** **for the Year Ended 31 December 2009**

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#### **1 ACCOUNTING POLICIES - continued**

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax assets 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 future reversal of the underlying timing differences can be deducted

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

##### **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 transaction. Exchange differences are taken into account in arriving at the operating result.

##### **Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

##### **Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the term of the lease.

#### **2 DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

The aggregate total of debtors falling due after more than one year is £507,558 (31 12 08 - £507,543)

#### **3 CREDITORS**

Creditors include an amount of £413,366 (31 12 08 - £662,931) for which security has been given.

#### **4 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid

Number	Class	Nominal value	31 12 09	31 12 08
		£1	£	£
1	Ordinary		1	1
			<u>          </u>	<u>          </u>

#### **5 ULTIMATE PARENT COMPANY**

The ultimate parent company is deemed to be Chortex Holdings Limited by virtue of that fact that it holds 100% of the issued share capital of the reporting entity's parent company Stott and Smith Limited.



