

Registered number  
3291538

**CHIMNEY COWLS LIMITED**  
**DIRECTORS' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**



# CHIMNEY COWLS LIMITED

## COMPANY INFORMATION

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<b>Director</b>	P R Stedman
<b>Secretary</b>	R Birchenough
<b>Auditors</b>	Spofforths 20 Old Mill Square Storrington West Sussex RH20 4NQ
<b>Registered office</b>	50-51 Lineside Industrial Estate Eldon Way Littlehampton West Sussex BN17 7HE
<b>Registered number</b>	3291538
<b>Solicitors</b>	Clarke Willmott Stoneham Gate Stoneham Lane Southampton Hampshire SO50 9NW

# **CHIMNEY COWLS LIMITED**

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# CHIMNEY COWLS LIMITED

## DIRECTOR'S REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2004

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The director presents his report and accounts for the year ended 31 December 2004.

#### Principal activities

The company's principal activity continued to be that of the marketing of chimney cowls and associated building products.

#### Director

The director who served during the year and his interest in the share capital of the company were as follows:

<b>£1 Ordinary shares</b>	
<b>31</b>	<b>1</b>
<b>December</b>	<b>January</b>
<b>2004</b>	<b>2004</b>

P R Stedman

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The director's interest in the share capital of the ultimate parent undertaking are disclosed in that company's financial statements.

#### Director's responsibilities

Company law requires the director to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

#### Auditors

A resolution to reappoint Spofforths as auditors will be put to the member at the Annual General Meeting.

#### Small company special provisions

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 28th October 2005



R Birchenough  
Secretary

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF  
CHIMNEY COWLS LIMITED**

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We have audited the accounts of Chimney Cows Limited for the year ended 31 December 2004 on pages 3 to 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

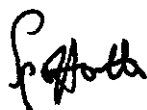
**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Spofforths  
Chartered Accountants and Registered Auditors  
20 Old Mill Square  
Storrington  
West Sussex  
RH20 4NQ**

Date:

31 October 2005

**CHIMNEY COWLS LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2004**

	Notes	2004 £	2003 £
Turnover	2	866,862	817,604
Cost of sales		(456,746)	(443,710)
<b>Gross profit</b>		<b>410,116</b>	<b>373,894</b>
Administrative expenses		(176,080)	(163,494)
<b>Operating profit</b>	3	<b>234,036</b>	<b>210,400</b>
<b>Profit on ordinary activities before taxation</b>		<b>234,036</b>	<b>210,400</b>
Tax on profit on ordinary activities	4	(23,349)	(19,609)
<b>Retained profit for the financial year</b>	10	<b>210,687</b>	<b>190,791</b>


# CHIMNEY COWLS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2004

	Notes	£	2004 £	£	2003 £
<b>Fixed assets</b>					
Tangible assets	5		12,336		15,719
<b>Current assets</b>					
Stocks		63,753		16,990	
Debtors	6	<u>2,749,421</u>		<u>2,490,382</u>	
		2,813,174		2,507,372	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,309,223)</u>		<u>(1,217,299)</u>	
<b>Net current assets</b>			<u>1,503,951</u>		<u>1,290,073</u>
<b>Net assets</b>			<u>1,516,287</u>		<u>1,305,792</u>
<b>Capital and reserves</b>					
Called up share capital	8		1		1
Revaluation reserve	9		-		6,955
Profit and loss account	10		<u>1,516,286</u>		<u>1,298,836</u>
<b>Shareholder's funds</b>			<u>1,516,287</u>		<u>1,305,792</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.



P R Stedman  
Director

Approved by the board on

28th October 2005

# CHIMNEY COWLS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2004

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#### 1 Principal accounting policies

##### ***Basis of accounting***

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

##### ***Turnover***

Turnover represents the invoiced value of goods and services supplied by the company, net of VAT.

##### ***Depreciation***

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Plant and machinery	10% - 25% per annum on cost
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##### ***Stocks***

Stocks, including work in progress, are consistently valued at the lower of cost and net realisable value.

##### ***Deferred taxation***

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

##### ***Foreign currencies***

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

##### ***Leasing and hire purchase commitments***

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

<b>2 Turnover</b>	<b>2004</b>	<b>2003</b>
Turnover attributable to geographical markets outside the UK	<u><b>13.3%</b></u>	<u><b>10.5%</b></u>



# CHIMNEY COWLS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2004

<b>3 Operating profit</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	<u><b>6,983</b></u>	<u><b>10,295</b></u>
<b>4 Taxation</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
UK corporation tax	<u><b>23,349</b></u>	<u><b>19,609</b></u>
<b>5 Tangible fixed assets</b>		
		<b>Plant and machinery</b>
		<b>£</b>
<b>Cost</b>		
At beginning of year		77,965
Additions		<u>3,600</u>
<b>At end of year</b>		<u><b>81,565</b></u>
<b>Depreciation</b>		
At beginning of year		62,246
Charge for the year		<u>6,983</u>
<b>At end of year</b>		<u><b>69,229</b></u>
<b>Net book value</b>		
<b>At 31 December 2004</b>		<u><b>12,336</b></u>
<i>At 31 December 2003</i>		<u><i>15,719</i></u>
<b>6 Debtors</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>101,103</b>	87,761
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<b>2,648,317</b>	2,402,620
Called up share capital not paid	<u><b>1</b></u>	<u><b>1</b></u>
	<u><b>2,749,421</b></u>	<u><b>2,490,382</b></u>

# CHIMNEY COWLS LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2004

<b>7 Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>64,828</b>	<b>50,129</b>
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<b>1,210,252</b>	<b>1,139,008</b>
Corporation tax	<b>23,349</b>	<b>19,609</b>
Other creditors	<b>10,794</b>	<b>8,553</b>
	<b><u>1,309,223</u></b>	<b><u>1,217,299</u></b>

<b>8 Share capital</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Authorised:		
Ordinary shares of £1 each	<b><u>100</u></b>	<b><u>100</u></b>

	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<b><u>1</u></b>	<b><u>1</u></b>	<b><u>1</u></b>	<b><u>1</u></b>

### 9 Reserves

	<b>Revaluation reserve</b>
	<b>£</b>
At beginning of year	6,955
Transfer to profit and loss reserve	<b><u>(6,955)</u></b>
<b>At end of year</b>	<b><u>-</u></b>

<b>10 Profit and loss account</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
At beginning of year	<b>1,298,836</b>	<b>1,100,845</b>
Prior year adjustment	<b>(192)</b>	<b>-</b>
At beginning of year as restated	<b>1,298,644</b>	<b>1,100,845</b>
Retained profit	<b>210,687</b>	<b>190,791</b>
Transfers between reserves	<b>6,955</b>	<b>7,200</b>
<b>At end of year</b>	<b><u>1,516,286</u></b>	<b><u>1,298,836</u></b>

# **CHIMNEY COWLS LIMITED**

## **NOTES TO THE ACCOUNTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2004**

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#### **11 Related parties**

The company's immediate parent undertaking is The Loft Shop Limited which is incorporated in England and Wales. It has included the company in its group accounts, copies of which are available from the registered office at Unit 50-51, Lineside Industrial Estate, Eldon Way, Littlehampton, West Sussex, BN17 7HE.

In the directors' opinion the company's ultimate parent company and controlling party is The Loft Shop Group Limited which is incorporated in England and Wales. Copies of its group accounts, which include the company, are also available from the registered office as stated above.