

Registrar

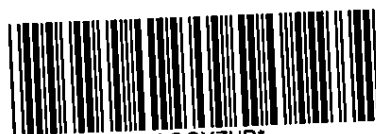
Registration number 00079310

Failsworth Hats Limited

Abbreviated accounts

for the year ended 31st December 2007

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Failsworth Hats Limited

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Failsworth Hats Limited

**Abbreviated balance sheet
as at 31st December 2007**

		2007		2006	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	2		12,317		15,767
Tangible assets	2		358,220		362,024
			<u>370,537</u>		<u>377,791</u>
Current assets					
Stocks		1,169,174		1,156,730	
Debtors		1,248,172		729,594	
Cash at bank and in hand		9,189		130,347	
		<u>2,426,535</u>		<u>2,016,671</u>	
Creditors: amounts falling due within one year	3	<u>(1,124,211)</u>		<u>(1,183,020)</u>	
Net current assets			<u>1,302,324</u>		<u>833,651</u>
Total assets less current liabilities			1,672,861		1,211,442
Creditors: amounts falling due after more than one year	4		<u>(1,280,158)</u>		<u>(1,308,143)</u>
Net assets excluding pension asset			392,703		(96,701)
Other pension asset			28,000		28,000
Net assets/(liabilities)			<u>420,703</u>		<u>(68,701)</u>
Capital and reserves					
Called up share capital	5		25,125		25,125
Profit and loss account			395,578		(93,826)
Shareholders' funds			<u>420,703</u>		<u>(68,701)</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

The notes on pages 3 to 14 form an integral part of these financial statements.

Failsworth Hats Limited

Abbreviated balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31st December 2007**

In approving these abbreviated accounts as directors of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ,

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st December 2007 and

(c) that we acknowledge our responsibilities for

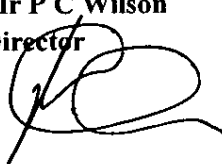
(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company

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

The abbreviated accounts were approved by the Board on 25th April 2008 and signed on its behalf by

Mr P C Wilson
Director

A handwritten signature in black ink, appearing to be 'P C Wilson', written over the printed name and title.

The notes on pages 3 to 14 form an integral part of these financial statements.

Failsworth Hats Limited

Notes to the abbreviated financial statements for the year ended 31st December 2007

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax and trade discounts, of sales made during the year

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Land and buildings	-	Straight line over fifty years
Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	15% reducing balance
Motor vehicles	-	25% reducing balance

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period

1.6. Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value

Failsworth Hats Limited

Notes to the abbreviated financial statements for the year ended 31st December 2007

continued

1.7. Pensions and other post-retirement benefits

The current service cost is included within operating profit in the profit and loss account. Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value using a discount rate of 5.8%. Pension scheme assets are valued at market value at the balance sheet date.

The pension scheme surplus to the extent that it can be recovered is recognised in full on the balance sheet.

The deferred tax relating to a defined benefit asset/liability is offset against the defined benefit asset/liability and not included with other deferred tax assets or liabilities.

1.8. Deferred taxation

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 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 following exceptions.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

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 the future reversal of the underlying timing differences can be deducted.

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

1.9. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Failsworth Hats Limited

**Notes to the abbreviated financial statements
for the year ended 31st December 2007**

continued

2. Fixed assets	Intangible assets £	Tangible fixed assets £	Total £
Cost			
At 1st January 2007	34,500	918,411	952,911
Additions	-	43,730	43,730
Disposals	-	(34,035)	(34,035)
At 31st December 2007	<u>34,500</u>	<u>928,106</u>	<u>962,606</u>
Depreciation and Provision for diminution in value			
At 1st January 2007	18,733	556,387	575,120
On disposals	-	(23,116)	(23,116)
Charge for year	3,450	36,615	40,065
At 31st December 2007	<u>22,183</u>	<u>569,886</u>	<u>592,069</u>
Net book values			
At 31st December 2007	<u>12,317</u>	<u>358,220</u>	<u>370,537</u>
At 31st December 2006	<u>15,767</u>	<u>362,024</u>	<u>377,791</u>
3. Creditors: amounts falling due within one year		2007 £	2006 £
Creditors include the following			
Secured creditors		<u>629,738</u>	<u>607,719</u>
4. Creditors: amounts falling due after more than one year		2007 £	2006 £
Creditors include the following			
Secured creditors		<u>-</u>	<u>27,985</u>

Failsworth Hats Limited

**Notes to the abbreviated financial statements
for the year ended 31st December 2007**

continued

5. Share capital	2007 £	2006 £
Authorised		
36,750 Ordinary shares of £1 each	<u>36,750</u>	<u>36,750</u>
Allotted, called up and fully paid		
25,125 Ordinary shares of £1 each	<u>25,125</u>	<u>25,125</u>
Equity Shares		
25,125 Ordinary shares of £1 each	<u>25,125</u>	<u>25,125</u>