



Accountants &
business advisers

Company No 2027951

GOLDEN LADY (UK) LIMITED

Annual Report

Year ended 31 December 2009

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Registrar's Copy

PKF (UK) LLP
Accountants and business advisers
Pannell House
159 Charles Street
Leicester
LE1 1LD

GOLDEN LADY (UK) LIMITED

COMPANY INFORMATION

Directors	Nadia Grassi Monica Grassi
Company secretary	Nadia Grassi
Company number	02027951
Registered office	County Estate Nunn Brook Road Huthwaite, Sutton In Ashfield Nottinghamshire NG17 2HU
Auditors	PKF (UK) LLP Pannell House 159 Charles Street Leicester LE1 1LD
Bankers	Lloyds TSB Bank 7 High Street Leicester LE1 9FS
Solicitors	Bray & Bray Spa Place 36-42 Humberstone Gate Leicester LE5 0AE

GOLDEN LADY (UK) LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Statement of directors' responsibilities	3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 16

GOLDEN LADY (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

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

Principal activities

The principal activity of the Company throughout the year continued to be the sale, marketing and distribution of ladies tights, stockings, lingerie, beach wear and retailing of ladies accessories

Business review

The Company continued to consolidate its principal brand name "Golden Lady" within the UK and, when combined with its associate companies, makes "Golden Lady" Europe's leading hosiery brand

The directors are pleased with the increase in turnover of over 12% and the resulting profitability. Margins have suffered due to the pressures of maintaining market share with its high street customers. The directors consider that the company has a very good product range and are confident of the future prospects of the company.

At the year end the company was in a strong financial position, with adequate cash reserves. The directors consider that the business faces no specific risks, but is exposed to general risks associated with the hosiery and clothing sectors and with the demands of dealing with high street retailers. These risks are mitigated by having a quality product range and ensuring that quality standards and customers terms are maintained.

Results

The profit for the year, after taxation, amounted to £155,927 (2008 - £422,680)

Directors

The directors who served during the year were

Nadia Grassi
Monica Grassi

GOLDEN LADY (UK) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

Political and charitable contributions

During the year the company made charitable contributions of £275 (2008 - £10,573)

Financial instruments

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to significant price risk or liquidity risk.

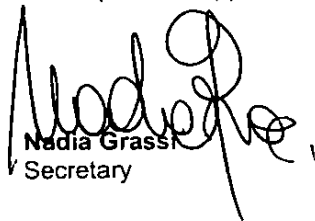
Provision of information to auditors

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 auditors are 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

This report was approved by the board on 26 April 2010

and signed on its behalf


Nadia Grassi
Secretary

GOLDEN LADY (UK) LIMITED

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 judgments and 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.

GOLDEN LADY (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOLDEN LADY (UK) LIMITED

We have audited the financial statements of Golden Lady (UK) Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, the cash flow statement, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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, 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.

GOLDEN LADY (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOLDEN LADY (UK) 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

PKF (UK) LLP

Nishit Bathia (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditors
Leicester, UK

Date *4 May 2010*

GOLDEN LADY (UK) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 £	2008 £
TURNOVER	1	14,332,555	12,701,088
Cost of sales		<u>(11,649,374)</u>	<u>(9,969,738)</u>
GROSS PROFIT		2,683,181	2,731,350
Selling and distribution costs		(815,091)	(1,034,427)
Administrative expenses		(1,580,262)	(1,149,110)
Other operating income	3	<u>-</u>	<u>2,600</u>
OPERATING PROFIT	4	287,828	550,413
Interest receivable	7	<u>8,264</u>	<u>77,449</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		296,092	627,862
Tax on profit on ordinary activities	8	<u>(140,165)</u>	<u>(205,182)</u>
PROFIT FOR THE FINANCIAL YEAR	15	<u><u>155,927</u></u>	<u><u>422,680</u></u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2008 other than those included in the Profit and loss account

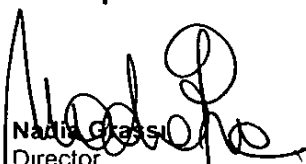
The notes on pages 9 to 16 form part of these financial statements

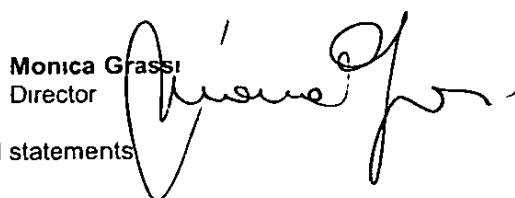
GOLDEN LADY (UK) LIMITED
REGISTERED NUMBER 02027951

BALANCE SHEET
AS AT 31 DECEMBER 2009

	Note	£	2009 £	£	2008 £
FIXED ASSETS					
Tangible fixed assets	9		1,446,303		1,593,696
CURRENT ASSETS					
Stocks	10	1,748,835		2,244,996	
Debtors	11	1,708,165		1,741,412	
Cash at bank		2,880,727		2,880,242	
		<u>6,337,727</u>		<u>6,866,650</u>	
CREDITORS amounts falling due within one year	12	(3,470,669)		(4,302,912)	
NET CURRENT ASSETS			<u>2,867,058</u>		<u>2,563,738</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,313,361</u>		<u>4,157,434</u>
CAPITAL AND RESERVES					
Called up share capital	14		3,000,000		3,000,000
Profit and loss account	15		1,313,361		1,157,434
SHAREHOLDERS' FUNDS	16		<u>4,313,361</u>		<u>4,157,434</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
26 April 2010


Nadia Grassi
Director


Monica Grassi
Director

The notes on pages 9 to 16 form part of these financial statements

GOLDEN LADY (UK) LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 £	2008 £
Net cash flow from operating activities	19	158,741	1,941,146
Returns on investments and servicing of finance	20	8,264	77,449
Taxation	20	(92,323)	(329,569)
Capital expenditure and financial investment	20	(74,197)	(699,897)
INCREASE IN CASH IN THE YEAR		<u><u>485</u></u>	<u><u>989,129</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 £	2008 £
Increase in cash in the year	<u>485</u>	<u>989,129</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>485</u>	<u>989,129</u>
Net funds at 1 January 2009	<u>2,880,242</u>	<u>1,891,113</u>
NET FUNDS AT 31 DECEMBER 2009	<u><u>2,880,727</u></u>	<u><u>2,880,242</u></u>

The notes on pages 9 to 16 form part of these financial statements

GOLDEN LADY (UK) LIMITED

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

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 applicable accounting standards

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

Turnover is recognised at the point of dispatch for wholesale distribution, and at the point of sale for retail

1.3 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

Freehold property	-	4% straight line
Long term Leasehold Property	-	10% straight line
Plant & machinery	-	20-33% straight line
Motor vehicles	-	33 3% straight line
Merchandising equipment	-	20-50% straight line

Periodic reviews are made to take into account usage and obsolescence

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 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.

1.6 Stocks

Stocks are 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.

GOLDEN LADY (UK) LIMITED

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

1 ACCOUNTING POLICIES (continued)

1 7 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 8 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 9 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

2 TURNOVER

All turnover arose within the United Kingdom

3 OTHER OPERATING INCOME

	2009	2008
	£	£
Other operating income	-	2,600

GOLDEN LADY (UK) LIMITED

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

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2009 £	2008 £
Depreciation of tangible fixed assets		
- owned by the company	221,590	172,266
Auditors' remuneration	9,000	9,000
Operating lease rentals		
- plant and machinery	5,873	5,333
- other operating leases	623,802	263,803
Difference on foreign exchange	(8)	1,602
Profit on disposal of tangible fixed assets	-	(4,220)
	<u> </u>	<u> </u>

5 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2009 £	2008 £
Wages and salaries	536,841	446,640
Social security costs	50,786	40,365
Other pension costs	20,505	19,392
	<u>608,132</u>	<u>506,397</u>

The average monthly number of employees, including the directors, during the year was as follows

	2009 No	2008 No
Sales and distribution	10	11
Administration	5	6
Retail	14	5
	<u>29</u>	<u>22</u>

6 DIRECTORS' REMUNERATION

	2009 £	2008 £
Emoluments	9,700	4,850
	<u> </u>	<u> </u>

No directors (2008 - none) were members of company pension schemes

GOLDEN LADY (UK) LIMITED

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

7 INTEREST RECEIVABLE

	2009 £	2008 £
Bank interest receivable	<u>8,264</u>	<u>77,449</u>

8 TAXATION

	2009 £	2008 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	114,482	190,358
Adjustments in respect of prior periods	21,965	-
Total current tax	<u>136,447</u>	<u>190,358</u>
Deferred tax (see note 13)		
Origination and reversal of timing differences	3,718	14,824
Tax on profit on ordinary activities	<u>140,165</u>	<u>205,182</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2008 - higher than) the standard rate of corporation tax in the UK (28%). The differences are explained below

	2009 £	2008 £
Profit on ordinary activities before tax	<u>296,092</u>	<u>627,862</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 28%)	82,906	175,801
Effects of		
Expenses not deductible for tax purposes	3,261	10,689
Depreciation for year in excess of capital allowances	22,460	6,126
Provisions not deductible for tax purposes	5,855	(5,580)
Adjustments to tax charge in respect of prior periods	21,965	3,322
Current tax charge for the year (see note above)	<u>136,447</u>	<u>190,358</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

GOLDEN LADY (UK) LIMITED

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

9 TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Leasehold improve- ments £	Plant, machinery, motor vehicles & mer- chandising equipment £	Total £
Cost				
At 1 January 2009	2,010,022	394,565	1,121,370	3,525,957
Additions	-	3,050	72,349	75,399
Disposals	-	-	(1,273)	(1,273)
At 31 December 2009	<u>2,010,022</u>	<u>397,615</u>	<u>1,192,446</u>	<u>3,600,083</u>
Depreciation				
At 1 January 2009	1,104,143	18,067	810,051	1,932,261
Charge for the year	74,784	39,625	107,181	221,590
On disposals	-	-	(71)	(71)
At 31 December 2009	<u>1,178,927</u>	<u>57,692</u>	<u>917,161</u>	<u>2,153,780</u>
Net book value				
At 31 December 2009	<u>831,095</u>	<u>339,923</u>	<u>275,285</u>	<u>1,446,303</u>
At 31 December 2008	<u>905,879</u>	<u>376,498</u>	<u>311,319</u>	<u>1,593,696</u>

10. STOCKS

	2009 £	2008 £
Finished goods and goods for resale	<u>1,748,835</u>	<u>2,244,996</u>

11 DEBTORS

	2009 £	2008 £
Trade debtors	1,249,447	1,403,044
Other debtors	443,938	319,870
Deferred tax asset (see note 13)	14,780	18,498
	<u>1,708,165</u>	<u>1,741,412</u>

GOLDEN LADY (UK) LIMITED

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

12 CREDITORS

Amounts falling due within one year

	2009 £	2008 £
Trade creditors	149,814	151,336
Amounts owed to group undertakings	2,187,307	2,976,260
Corporation tax	114,482	70,358
Social security and other taxes	854,534	938,254
Other creditors	164,532	166,704
	<u>3,470,669</u>	<u>4,302,912</u>

13 DEFERRED TAX ASSET

	2009 £	2008 £
At beginning of year	18,498	21,716
Charged to the profit and loss account for year	(3,718)	(3,218)
	<u>14,780</u>	<u>18,498</u>

The deferred tax asset is made up as follows

	2009 £	2008 £
Fixed asset timing differences	8,476	18,050
Short term timing differences	6,304	448
	<u>14,780</u>	<u>18,498</u>

14. SHARE CAPITAL

	2009 £	2008 £
Allotted, called up and fully paid		
30,000 Ordinary shares of £100 each	<u>3,000,000</u>	<u>3,000,000</u>

15 RESERVES

	Profit and loss account £
At 1 January 2009	1,157,434
Profit for the year	155,927
	<u>1,313,361</u>
At 31 December 2009	

GOLDEN LADY (UK) LIMITED

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

16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Opening shareholders' funds	4,157,434	3,734,754
Profit for the year	155,927	422,680
Closing shareholders' funds	<u>4,313,361</u>	<u>4,157,434</u>

17 PENSION COSTS

The company contributes to personal pension plans for certain employees. The pension cost charge amounting to £10,505 (2008 - £19,392) represents contributions payable by the company during the year. Accrued contributions at the year end amounted to £2,512 (2008 - £1,599).

18. OPERATING LEASE COMMITMENTS

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2009 £	2008 £	2009 £	Other 2008 £
Expiry date.				
Within 1 year	-	-	2,400	2,400
Between 2 and 5 years	-	-	-	220
After more than 5 years	605,000	605,000	-	-

19 NET CASH FLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating profit	287,828	550,413
Depreciation of tangible fixed assets	221,590	172,266
Profit on disposal of tangible fixed assets	-	(4,220)
Decrease/(increase) in stocks	496,161	(1,004,972)
Decrease in debtors	29,529	729,625
(Decrease)/increase in creditors	(87,414)	217,940
(Decrease)/increase in amounts owed to group undertakings	(788,953)	1,280,094
Net cash inflow from operations	<u>158,741</u>	<u>1,941,146</u>

GOLDEN LADY (UK) LIMITED

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

20 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest received	8,264	77,449
	<u>8,264</u>	<u>77,449</u>
	2009 £	2008 £
Taxation		
Corporation tax paid	(92,323)	(329,569)
	<u>(92,323)</u>	<u>(329,569)</u>
	2009 £	2008 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(75,399)	(704,117)
Sale of tangible fixed assets	1,202	4,220
	<u>(74,197)</u>	<u>(699,897)</u>
Net cash outflow from capital expenditure	<u>(74,197)</u>	<u>(699,897)</u>

21 ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2009 £	Cash flow £	Other non-cash changes £	31 December 2009 £
Cash at bank and in hand	2,880,242	485	-	2,880,727
Net funds	<u>2,880,242</u>	<u>485</u>	<u>-</u>	<u>2,880,727</u>

22 RELATED PARTY TRANSACTIONS

As Golden Lady (UK) Limited is a sub-subsidiary of ENGIFIN S p A and the consolidated accounts of ENGIFIN S p A are publicly available in Italy, advantage has been taken of the exemption offered by Financial Reporting Standard 8 from the requirement to disclose transactions with other group companies

23 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is controlled by Gilfin S p A

The parent undertaking of the group for which consolidated accounts are prepared is ENGIFIN S p A, a company incorporated in Italy. Consolidated accounts are available from Camera di Commercio Industria e Artigianato of Mantova, Via Pietro Fortunato Calvi, 28 - 46100 Mantova, Italy

In the opinion of the directors ENGIFIN S p A is the company's ultimate parent company and ultimate controlling party