

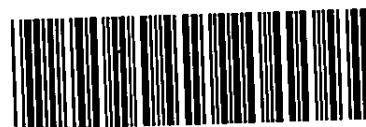
Registered number 02027951

## **GOLDEN LADY (UK) LIMITED**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

WEDNESDAY



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25/09/2013

#146

COMPANIES HOUSE

BDO LLP  
Pannell House  
159 Charles Street  
Leicester LE1 1LD  
Tel: 0116 250 4400 Fax: 0116 285 4651

## **GOLDEN LADY (UK) LIMITED**

### **COMPANY INFORMATION**

|                          |                                                                                                          |
|--------------------------|----------------------------------------------------------------------------------------------------------|
| <b>Directors</b>         | N Grassi<br>M Grassi<br>C A Hetherington (appointed 1 October 2012)<br>C Bosi (appointed 1 October 2012) |
| <b>Company secretary</b> | N Grassi                                                                                                 |
| <b>Company number</b>    | 02027951                                                                                                 |
| <b>Registered office</b> | County Estate<br>Nunn Brook Road<br>Huthwaite, Sutton In Ashfield<br>Nottinghamshire<br>NG17 2HU         |
| <b>Auditor</b>           | PKF (UK) LLP<br>Pannell House<br>159 Charles Street<br>Leicester<br>LE1 1LD                              |
| <b>Bankers</b>           | Lloyds TSB Bank<br>7 High Street<br>Leicester<br>LE1 9FS                                                 |
| <b>Solicitors</b>        | Bray & Bray<br>Spa Place<br>36-42 Humberstone Gate<br>Leicester<br>LE5 0AE                               |

# **GOLDEN LADY (UK) LIMITED**

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# **GOLDEN LADY (UK) LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012**

The directors present their report and the financial statements for the year ended 31 December 2012

### **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 company has maintained profitability in the year which has been achieved against an economic background that is challenging and competitive

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 £146,969 (2011 - £127,197)

### **Directors**

The directors who served during the year were

N Grassi

M Grassi

C A Hetherington (appointed 1 October 2012)

C Bosi (appointed 1 October 2012)

### **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

**GOLDEN LADY (UK) LIMITED**

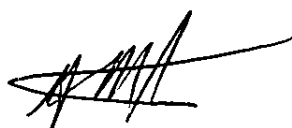
**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**Provision of information to auditor**

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 auditor is 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 auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

This report was approved by the board on *18 March 2013* and signed on its behalf



**C A Hetherington**  
Director

## **GOLDEN LADY (UK) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 accounting estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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 AUDITOR'S 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 2012 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 auditor's 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 auditor**

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 and express an opinion on 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**

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 2012 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 AUDITOR'S 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 auditor  
Leicester, UK

*22 March 2013*

**GOLDEN LADY (UK) LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2012**

|                                                      | Note | 2012<br>£             | 2011<br>£             |
|------------------------------------------------------|------|-----------------------|-----------------------|
| <b>TURNOVER</b>                                      | 1    | 14,037,997            | 14,468,998            |
| Cost of sales                                        |      | <u>(11,817,765)</u>   | <u>(12,333,955)</u>   |
| <b>GROSS PROFIT</b>                                  |      | 2,220,232             | 2,135,043             |
| Distribution costs                                   |      | (767,815)             | (776,437)             |
| Administrative expenses                              |      | <u>(1,181,230)</u>    | <u>(1,130,305)</u>    |
| <b>OPERATING PROFIT</b>                              | 3    | 271,187               | 228,301               |
| Interest receivable and similar income               | 6    | 1,669                 | 1,799                 |
| Interest payable and similar charges                 | 7    | <u>(34,143)</u>       | <u>(4,876)</u>        |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |      | 238,713               | 225,224               |
| Tax on profit on ordinary activities                 | 8    | <u>(91,744)</u>       | <u>(98,027)</u>       |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                 | 15   | <u><u>146,969</u></u> | <u><u>127,197</u></u> |

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

The notes on pages 9 to 17 form part of these financial statements

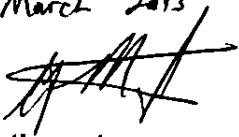
**GOLDEN LADY (UK) LIMITED**  
**REGISTERED NUMBER 02027951**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2012**

|                                                      | Note | £                | 2012<br>£        | £                 | 2011<br>£        |
|------------------------------------------------------|------|------------------|------------------|-------------------|------------------|
| <b>FIXED ASSETS</b>                                  |      |                  |                  |                   |                  |
| Tangible assets                                      | 9    |                  | 907,929          |                   | 1,031,652        |
| <b>CURRENT ASSETS</b>                                |      |                  |                  |                   |                  |
| Stocks                                               | 10   | 1,972,161        |                  | 2,391,244         |                  |
| Debtors                                              | 11   | 4,124,112        |                  | 4,195,544         |                  |
| Cash at bank                                         |      | 2,922,398        |                  | 3,787,938         |                  |
|                                                      |      | <u>9,018,671</u> |                  | <u>10,374,726</u> |                  |
| <b>CREDITORS</b> amounts falling due within one year | 12   | (5,895,576)      |                  | (7,520,138)       |                  |
| <b>NET CURRENT ASSETS</b>                            |      |                  | <u>3,123,095</u> |                   | <u>2,854,588</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>         |      |                  | <u>4,031,024</u> |                   | <u>3,886,240</u> |
| <b>PROVISIONS FOR LIABILITIES</b>                    |      |                  |                  |                   |                  |
| Deferred tax                                         | 13   |                  | -                |                   | (2,185)          |
| <b>NET ASSETS</b>                                    |      |                  | <u>4,031,024</u> |                   | <u>3,884,055</u> |
| <b>CAPITAL AND RESERVES</b>                          |      |                  |                  |                   |                  |
| Called up share capital                              | 14   |                  | 3,000,000        |                   | 3,000,000        |
| Profit and loss account                              | 15   |                  | 1,031,024        |                   | 884,055          |
| <b>SHAREHOLDERS' FUNDS</b>                           | 16   |                  | <u>4,031,024</u> |                   | <u>3,884,055</u> |

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

18 March 2013

  
**C A Hetherington**  
 Director

  
**C Bosi**  
 Director

The notes on pages 9 to 17 form part of these financial statements

**GOLDEN LADY (UK) LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2012**

|                                                 | Note | 2012<br>£        | 2011<br>£        |
|-------------------------------------------------|------|------------------|------------------|
| Net cash flow from operating activities         | 19   | 2,331,620        | (500,152)        |
| Returns on investments and servicing of finance | 20   | (32,474)         | (3,077)          |
| Taxation                                        |      | (52,984)         | (266,141)        |
| Capital expenditure and financial investment    | 20   | (111,702)        | (137,021)        |
| <b>CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>   |      | <b>2,134,460</b> | <b>(906,391)</b> |
| Financing                                       | 20   | (3,000,000)      | 3,000,000        |
| <b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>  |      | <b>(865,540)</b> | <b>2,093,609</b> |

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

|                                                       | 2012<br>£        | 2011<br>£        |
|-------------------------------------------------------|------------------|------------------|
| (Decrease)/Increase in cash in the year               | (865,540)        | 2,093,609        |
| Cash movement from change in debt and lease financing | 3,000,000        | (3,000,000)      |
| <b>MOVEMENT IN NET FUNDS IN THE YEAR</b>              | <b>2,134,460</b> | <b>(906,391)</b> |
| Net funds at 1 January 2012                           | 787,938          | 1,694,329        |
| <b>NET FUNDS AT 31 DECEMBER 2012</b>                  | <b>2,922,398</b> | <b>787,938</b>   |

The notes on pages 9 to 17 form part of these financial statements

## **GOLDEN LADY (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **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 during the year, 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     |
| Leasehold improvements  | - | 10% straight line    |
| Plant and 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 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

##### **1.5 Stocks**

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

##### **1.6 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

## **GOLDEN LADY (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

#### **1 ACCOUNTING POLICIES (continued)**

##### **1.7 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

##### **1.8 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 OPERATING PROFIT**

The operating profit is stated after charging

|                                           | <b>2012</b>    | <b>2011</b> |
|-------------------------------------------|----------------|-------------|
|                                           | <b>£</b>       | <b>£</b>    |
| Depreciation of tangible fixed assets     |                |             |
| - owned by the company                    | <b>232,615</b> | 235,345     |
| Auditor's remuneration                    | <b>10,000</b>  | 9,750       |
| Operating lease rentals                   |                |             |
| - plant and machinery                     | <b>1,845</b>   | 3,427       |
| - other operating leases                  | <b>325,390</b> | 321,525     |
| Loss on disposal of tangible fixed assets | <b>2,667</b>   | 4,317       |

# GOLDEN LADY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 4 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

|                       | 2012<br>£      | 2011<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 483,065        | 484,505        |
| Social security costs | 47,904         | 42,347         |
| Other pension costs   | 20,930         | 20,111         |
|                       | <u>551,899</u> | <u>546,963</u> |

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

|                        | 2012<br>No | 2011<br>No |
|------------------------|------------|------------|
| Sales and distribution | 12         | 13         |
| Administration         | 5          | 5          |
| Retail                 | 6          | 7          |
|                        | <u>23</u>  | <u>25</u>  |

### 5 DIRECTORS' REMUNERATION

|            | 2012<br>£     | 2011<br>£    |
|------------|---------------|--------------|
| Emoluments | <u>39,499</u> | <u>4,850</u> |

No directors (2011 - none) were members of company pension schemes

### 6 INTEREST RECEIVABLE

|                           | 2012<br>£    | 2011<br>£    |
|---------------------------|--------------|--------------|
| Other interest receivable | -            | 89           |
| Bank interest receivable  | 1,669        | 1,710        |
|                           | <u>1,669</u> | <u>1,799</u> |

### 7 INTEREST PAYABLE

|                                  | 2012<br>£     | 2011<br>£    |
|----------------------------------|---------------|--------------|
| On loans from group undertakings | 34,143        | 4,321        |
| Other interest payable           | -             | 555          |
|                                  | <u>34,143</u> | <u>4,876</u> |

# GOLDEN LADY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 8 TAXATION

|                                                   | 2012<br>£      | 2011<br>£     |
|---------------------------------------------------|----------------|---------------|
| <b>Analysis of tax charge in the year</b>         |                |               |
| <b>Current tax</b> (see note below)               |                |               |
| UK corporation tax charge on profit for the year  | 98,931         | 76,910        |
| Adjustments in respect of prior periods           | -              | 3,710         |
| <b>Total current tax</b>                          | <b>98,931</b>  | <b>80,620</b> |
| <b>Deferred tax</b>                               |                |               |
| Origination and reversal of timing differences    | (7,362)        | 18,048        |
| Effect of decreased tax rate on opening liability | 175            | (641)         |
| <b>Total deferred tax</b> (see note 13)           | <b>(7,187)</b> | <b>17,407</b> |
| <b>Tax on profit on ordinary activities</b>       | <b>91,744</b>  | <b>98,027</b> |

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2011 - higher than) the standard rate of corporation tax in the UK of 24% (2011 - 26%). The differences are explained below

|                                                                                                            | 2012<br>£     | 2011<br>£     |
|------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Profit on ordinary activities before tax                                                                   | 238,713       | 225,224       |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2011 - 26%) | 57,291        | 58,558        |
| <b>Effects of</b>                                                                                          |               |               |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment                  | 8,146         | 1,333         |
| Depreciation in the year in excess of capital allowances                                                   | 31,450        | 20,441        |
| Adjustments to tax charge in respect of prior periods                                                      | -             | 3,710         |
| Changes in provisions leading to a (decrease)/increase in the tax charge                                   | 39            | (4,854)       |
| Effect of change in tax rate in the year                                                                   | 2,005         | 1,432         |
| <b>Current tax charge for the year</b> (see note above)                                                    | <b>98,931</b> | <b>80,620</b> |

### Factors that may affect future tax charges

The provision for deferred tax is calculated based on the tax rates expected to be effective at the time the timing differences, which give rise to the provision, are expected to reverse. The Chancellor of the Exchequer announced on 21 March 2012 that the rate of corporation tax of 26% will be reduced by 2 percentage points with effect from 1 April 2012 and a further 1 percentage point a year until 2014, when it will remain at 22%.

As at the balance sheet date, the rate of 23% has been substantively enacted. Therefore, in accordance with relevant accounting standards, the calculation of deferred tax provision is based on a tax rate of 23%.

**GOLDEN LADY (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**9 TANGIBLE FIXED ASSETS**

|                       | Freehold land<br>and buildings<br>£ | Leasehold<br>improve-<br>ments<br>£ | Plant,<br>machinery,<br>motor<br>vehicles and<br>merchand-<br>ising<br>equipment<br>£ | Total<br>£ |
|-----------------------|-------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------|------------|
| <b>Cost</b>           |                                     |                                     |                                                                                       |            |
| At 1 January 2012     | 2,010,022                           | 257,546                             | 1,010,616                                                                             | 3,278,184  |
| Additions             | -                                   | 5,225                               | 109,915                                                                               | 115,140    |
| Disposals             | -                                   | -                                   | (92,260)                                                                              | (92,260)   |
| At 31 December 2012   | 2,010,022                           | 262,771                             | 1,028,271                                                                             | 3,301,064  |
| <b>Depreciation</b>   |                                     |                                     |                                                                                       |            |
| At 1 January 2012     | 1,354,304                           | 90,736                              | 801,492                                                                               | 2,246,532  |
| Charge for the year   | 48,975                              | 25,933                              | 157,707                                                                               | 232,615    |
| On disposals          | -                                   | -                                   | (86,012)                                                                              | (86,012)   |
| At 31 December 2012   | 1,403,279                           | 116,669                             | 873,187                                                                               | 2,393,135  |
| <b>Net book value</b> |                                     |                                     |                                                                                       |            |
| At 31 December 2012   | 606,743                             | 146,102                             | 155,084                                                                               | 907,929    |
| At 31 December 2011   | 655,718                             | 166,810                             | 209,124                                                                               | 1,031,652  |

**10. STOCKS**

|                                     | 2012<br>£ | 2011<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 1,972,161 | 2,391,244 |

**11. DEBTORS**

|                                    | 2012<br>£ | 2011<br>£ |
|------------------------------------|-----------|-----------|
| Trade debtors                      | 3,782,220 | 3,844,187 |
| Amounts owed by group undertakings | 3,160     | 2,876     |
| Corporation tax due                | -         | 19,016    |
| Other debtors                      | 333,730   | 329,465   |
| Deferred tax asset (see note 13)   | 5,002     | -         |
|                                    | 4,124,112 | 4,195,544 |

**GOLDEN LADY (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**12. CREDITORS**

**Amounts falling due within one year**

|                                    | 2012<br>£        | 2011<br>£        |
|------------------------------------|------------------|------------------|
| Loans                              | -                | 3,000,000        |
| Trade creditors                    | 58,209           | 53,528           |
| Amounts owed to group undertakings | 4,643,095        | 3,091,237        |
| Corporation tax                    | 26,931           | -                |
| Social security and other taxes    | 1,045,906        | 1,153,517        |
| Other creditors                    | 121,435          | 221,856          |
|                                    | <u>5,895,576</u> | <u>7,520,138</u> |

During the year the company repaid an unsecured loan of £3 million from Golden Lady S p A , a group company Interest charged on this loan was at 3.05% (2011 - 3.05%)

**13. DEFERRED TAXATION**

|                      | 2012<br>£    | 2011<br>£      |
|----------------------|--------------|----------------|
| At beginning of year | (2,185)      | 15,222         |
| Movement in the year | 7,187        | (17,407)       |
|                      | <u>5,002</u> | <u>(2,185)</u> |

The deferred taxation balance is made up as follows

|                                | 2012<br>£    | 2011<br>£      |
|--------------------------------|--------------|----------------|
| Accelerated capital allowances | 4,560        | (2,625)        |
| Short term timing differences  | 442          | 440            |
|                                | <u>5,002</u> | <u>(2,185)</u> |

**14. SHARE CAPITAL**

|                                           | 2012<br>£        | 2011<br>£        |
|-------------------------------------------|------------------|------------------|
| <b>Allotted, called up and fully paid</b> |                  |                  |
| 30,000 Ordinary shares of £100 each       | <u>3,000,000</u> | <u>3,000,000</u> |

# GOLDEN LADY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

### 15 RESERVES

|                     | Profit and<br>loss account<br>£ |
|---------------------|---------------------------------|
| At 1 January 2012   | 884,055                         |
| Profit for the year | 146,969                         |
| At 31 December 2012 | <u>1,031,024</u>                |

### 16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

|                             | 2012<br>£        | 2011<br>£        |
|-----------------------------|------------------|------------------|
| Opening shareholders' funds | 3,884,055        | 3,756,858        |
| Profit for the year         | 146,969          | 127,197          |
| Closing shareholders' funds | <u>4,031,024</u> | <u>3,884,055</u> |

### 17 PENSION COSTS

The company contributes to personal pension plans for certain employees. The pension cost charge amounting to £20,930 (2011 - £20,111) represents contributions payable by the company during the year. Accrued contributions at the year end amounted to £1,919 (2011 - £1,758).

### 18 OPERATING LEASE COMMITMENTS

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows:

|                         | Land and buildings<br>2012<br>£ | 2011<br>£      |
|-------------------------|---------------------------------|----------------|
| Expiry date             |                                 |                |
| After more than 5 years | <u>325,000</u>                  | <u>325,000</u> |

### 19. NET CASH FLOW FROM OPERATING ACTIVITIES

|                                                           | 2012<br>£        | 2011<br>£        |
|-----------------------------------------------------------|------------------|------------------|
| Operating profit                                          | 271,187          | 228,301          |
| Depreciation of tangible fixed assets                     | 232,615          | 235,345          |
| Loss on disposal of tangible fixed assets                 | 2,667            | 4,317            |
| Decrease/(increase) in stocks                             | 419,084          | (796,754)        |
| Decrease in debtors                                       | 57,417           | 143,777          |
| (Decrease)/increase in creditors                          | (203,208)        | 480,378          |
| Increase/(decrease) in amounts owed to group undertakings | 1,551,858        | (795,516)        |
| Net cash inflow/(outflow) from operating activities       | <u>2,331,620</u> | <u>(500,152)</u> |

# GOLDEN LADY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

|                                                                              | 2012<br>£                   | 2011<br>£                   |
|------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Returns on investments and servicing of finance</b>                       |                             |                             |
| Interest received                                                            | 1,669                       | 1,799                       |
| Interest paid                                                                | (34,143)                    | (4,876)                     |
|                                                                              | <u>                    </u> | <u>                    </u> |
| <b>Net cash outflow from returns on investments and servicing of finance</b> | <b>(32,474)</b>             | <b>(3,077)</b>              |
|                                                                              | <u>                    </u> | <u>                    </u> |
|                                                                              | 2012<br>£                   | 2011<br>£                   |
| <b>Capital expenditure and financial investment</b>                          |                             |                             |
| Purchase of tangible fixed assets                                            | (111,702)                   | (137,021)                   |
|                                                                              | <u>                    </u> | <u>                    </u> |
|                                                                              | 2012<br>£                   | 2011<br>£                   |
| <b>Financing</b>                                                             |                             |                             |
| New loans                                                                    | -                           | 3,000,000                   |
| Repayment of loans                                                           | (3,000,000)                 | -                           |
|                                                                              | <u>                    </u> | <u>                    </u> |
| <b>Net cash (outflow)/inflow from financing</b>                              | <b>(3,000,000)</b>          | <b>3,000,000</b>            |
|                                                                              | <u>                    </u> | <u>                    </u> |

### 21. ANALYSIS OF CHANGES IN NET FUNDS

|                           | 1 January<br>2012<br>£      | Cash flow<br>£              | Other<br>non-cash<br>changes<br>£ | 31 December<br>2012<br>£    |
|---------------------------|-----------------------------|-----------------------------|-----------------------------------|-----------------------------|
| Cash at bank and in hand  | 3,787,938                   | (865,540)                   | -                                 | 2,922,398                   |
| Debts due within one year | (3,000,000)                 | 3,000,000                   | -                                 | -                           |
|                           | <u>                    </u> | <u>                    </u> | <u>                    </u>       | <u>                    </u> |
| <b>Net funds</b>          | <b>787,938</b>              | <b>2,134,460</b>            | <b>-</b>                          | <b>2,922,398</b>            |
|                           | <u>                    </u> | <u>                    </u> | <u>                    </u>       | <u>                    </u> |

### 22. RELATED PARTY TRANSACTIONS

As Golden Lady (UK) Limited is a wholly owned 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

**GOLDEN LADY (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**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