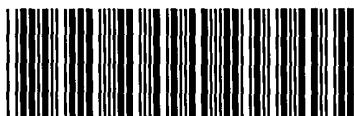


Registered number: 02027951

GOLDEN LADY (UK) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

THURSDAY



A3F96PAJ

A19

28/08/2014

#178

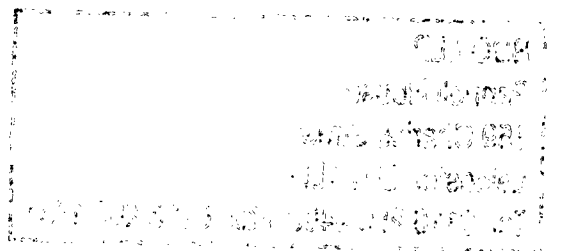
COMPANIES HOUSE

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

GOLDEN LADY (UK) LIMITED

COMPANY INFORMATION

Directors	N Grassi M Grassi C A Hetherington C Bosi
Company secretary	C Hetherington
Registered number	02027951
Registered office	County Estate Nunn Brook Road Huthwaite Sutton In Ashfield Nottinghamshire NG17 2HU
Independent auditor	BDO 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
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 17
Detailed profit and loss account and summaries	18 - 20

GOLDEN LADY (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their statement for the year ended 31 December 2013.

These financial statements represent the accounts of Golden Lady (UK) Limited.

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 made a loss in the year which was due to the costs associated with closing down a Golden Point retail outlet. Excluding the impact of these one-off costs, the company continues to make a profit.

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.

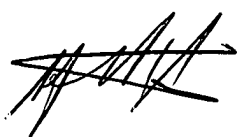
Principal risks and uncertainties

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.

Financial key performance indicators

The company has made an operating loss in the year of £58,490 which is attributable to the exceptional costs associated with closing a Golden Point retail store during the year. Excluding these costs the company has made an operating profit of £575,982 in the year which has been achieved against an economic background that is challenging and competitive.

This report was approved by the board on *18 February 2014* and signed on its behalf.



C A Hetherington
Director

GOLDEN LADY (UK) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

The directors present their report and the financial statements for the year ended 31 December 2013.

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.

Results

The loss for the year, after taxation, amounted to £187,432 (2012 - profit £146,969).

Directors

The directors who served during the year were:

N Grassi
M Grassi
C A Hetherington
C Bosi

Financial instruments

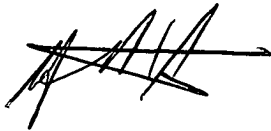
The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are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

Provision of information to 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 February 2014* and signed on its behalf.



C A Hetherington
Director

GOLDEN LADY (UK) LIMITED

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 accounting estimates that are reasonable and prudent; 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 2013 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 statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 2013 and of its loss 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

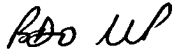
GOLDEN LADY (UK) LIMITED

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.



Nishit Bathia (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Leicester
United Kingdom

21 February 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

GOLDEN LADY (UK) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	2012 £
TURNOVER	1	16,265,489	14,037,997
Cost of sales		<u>(14,145,789)</u>	<u>(11,817,765)</u>
GROSS PROFIT		2,119,700	2,220,232
Distribution costs		<u>(631,271)</u>	<u>(767,815)</u>
Administrative expenses		<u>(912,447)</u>	(1,181,230)
Exceptional administrative expenses	8	<u>(634,472)</u>	-
Total administrative expenses		<u>(1,546,919)</u>	<u>(1,181,230)</u>
OPERATING (LOSS)/PROFIT	3	(58,490)	271,187
Interest receivable and similar income	6	<u>8,883</u>	1,669
Interest payable and similar charges	7	<u>-</u>	<u>(34,143)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(49,607)	238,713
Tax on (loss)/profit on ordinary activities	9	<u>(137,825)</u>	<u>(91,744)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	16	<u>(187,432)</u>	<u>146,969</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account.

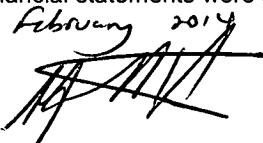
The notes on pages 9 to 17 form part of these financial statements.

GOLDEN LADY (UK) LIMITED
REGISTERED NUMBER: 02027951

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	10		636,282		907,929
CURRENT ASSETS					
Stocks	11	2,941,977		1,972,161	
Debtors	12	5,197,456		4,124,112	
Cash at bank		531,019		2,922,398	
			<u>8,670,452</u>	<u>9,018,671</u>	
CREDITORS: amounts falling due within one year	13	(5,463,142)		(5,895,576)	
NET CURRENT ASSETS			<u>3,207,310.</u>		<u>3,123,095</u>
NET ASSETS			<u><u>3,843,592</u></u>		<u><u>4,031,024</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		3,000,000		3,000,000
Profit and loss account	16		843,592		1,031,024
SHAREHOLDERS' FUNDS	17		<u><u>3,843,592</u></u>		<u><u>4,031,024</u></u>

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

18 February 2014


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 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	20	(2,336,821)	2,331,620
Returns on investments and servicing of finance	21	8,883	(32,474)
Taxation		(26,931)	(52,984)
Capital expenditure and financial investment	21	(36,510)	(111,702)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(2,391,379)	2,134,460
Financing	21	-	(3,000,000)
DECREASE IN CASH IN THE YEAR		(2,391,379)	(865,540)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013 £	2012 £
Decrease in cash in the year	(2,391,379)	(865,540)
Cash movement from change in debt and lease financing	-	3,000,000
MOVEMENT IN NET FUNDS IN THE YEAR	(2,391,379)	2,134,460
Net funds at 1 January 2013	2,922,398	787,938
NET FUNDS AT 31 DECEMBER 2013	531,019	2,922,398

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 2013

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 despatch 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	-	25-50% 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.

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES (continued)

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.

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 contributes to defined contribution pension schemes and the pension charge represents the amounts payable by the company to the funds in respect of the year.

2. TURNOVER

All turnover arose within the United Kingdom.

3. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging:

	2013	2012
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	144,315	232,615
Auditor's remuneration	10,300	10,000
Operating lease rentals:		
- plant and machinery	1,477	1,845
- other operating leases	170,905	325,390

GOLDEN LADY (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2013 £	2012 £
Wages and salaries	461,949	483,065
Social security costs	44,861	47,904
Other pension costs	20,564	20,930
	<u>527,374</u>	<u>551,899</u>

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

	2013 No.	2012 No.
Sales and distribution	13	12
Administration	4	5
Retail	4	6
	<u>21</u>	<u>23</u>

5. DIRECTORS' REMUNERATION

	2013 £	2012 £
Remuneration	<u>152,302</u>	<u>39,499</u>
Company pension contributions to defined contribution pension schemes	<u>12,432</u>	<u>-</u>

During the year retirement benefits were accruing to 2 directors (2012 - NIL) in respect of defined contribution pension schemes.

Two directors (2012 - none) were members of company pension schemes.

6. INTEREST RECEIVABLE

	2013 £	2012 £
Bank interest receivable	<u>8,883</u>	<u>1,669</u>

7. INTEREST PAYABLE

	2013 £	2012 £
On loans from group undertakings	<u>-</u>	<u>34,143</u>

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

8. EXCEPTIONAL ITEMS

	2013 £	2012 £
Lease termination costs	376,770	-
Professional fees	111,600	-
Loss on disposal of assets	146,102	-
	<u>634,472</u>	<u>-</u>

The above exceptional costs are attributable to the closure of a Golden Point store.

9. TAXATION

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on (loss)/profit for the year	134,143	98,931
Deferred tax		
Origination and reversal of timing differences	3,587	(7,362)
Effect of decreased tax rate on opening liability	95	175
Total deferred tax (see note 14)	<u>3,682</u>	<u>(7,187)</u>
Tax on (loss)/profit on ordinary activities	<u>137,825</u>	<u>91,744</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 23% (2012 - 24%). The differences are explained below:

	2013 £	2012 £
(Loss)/profit on ordinary activities before tax	<u>(49,607)</u>	<u>238,713</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2012 - 24%)	<u>(11,410)</u>	<u>57,291</u>
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	94,965	8,146
Depreciation in the year in excess of capital allowances	47,363	31,450
Changes in provisions leading to a (decrease)/increase in the tax charge	(43)	39
Effect of change in tax rate in the year	3,268	2,005
Current tax charge for the year (see note above)	<u>134,143</u>	<u>98,931</u>

GOLDEN LADY (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

9. TAXATION (continued)

Factors that may affect future tax charges

The Chancellor of Exchequer has announced that the main rate of corporation tax will be reduced by 2 percentage points to 21% in April 2014 and then to 20% in April 2015 where it will remain at 20%. These new rates are expected to affect future tax charges and are therefore disclosed.

10. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold improve- ments £	Plant, machinery, motor vehicles and merchand- ising equipment £	Total £
Cost				
At 1 January 2013	2,010,022	262,771	1,028,271	3,301,064
Additions	-	-	36,510	36,510
Disposals	-	(262,771)	(232,328)	(495,099)
At 31 December 2013	2,010,022	-	832,453	2,842,475
Depreciation				
At 1 January 2013	1,403,279	116,669	873,187	2,393,135
Charge for the year	74,783	-	69,532	144,315
On disposals	-	(116,669)	(214,588)	(331,257)
At 31 December 2013	1,478,062	-	728,131	2,206,193
Net book value				
At 31 December 2013	531,960	-	104,322	636,282
At 31 December 2012	606,743	146,102	155,084	907,929

11. STOCKS

	2013 £	2012 £
Finished goods and goods for resale	2,941,977	1,972,161

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

12. DEBTORS

	2013 £	2012 £
Trade debtors	5,172,433	3,782,220
Amounts owed by group undertakings	-	3,160
Other debtors	23,703	333,730
Deferred tax asset (see note 14)	1,320	5,002
	<u>5,197,456</u>	<u>4,124,112</u>

13. CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	51,645	58,209
Amounts owed to group undertakings	4,067,210	4,643,095
Corporation tax	134,143	26,931
Other taxation and social security	1,110,438	1,045,906
Other creditors	99,706	121,435
	<u>5,463,142</u>	<u>5,895,576</u>

14. DEFERRED TAX ASSET

	2013 £	2012 £
At beginning of year	5,002	(2,185)
Movement in the year	(3,682)	7,187
At end of year	<u>1,320</u>	<u>5,002</u>

The deferred tax asset is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	973	4,560
Short term timing differences	347	442
	<u>1,320</u>	<u>5,002</u>

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

15. SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
30,000 Ordinary shares of £100 each	<u>3,000,000</u>	<u>3,000,000</u>

16. RESERVES

	Profit and loss account £
At 1 January 2013	1,031,024
Loss for the financial year	(187,432)
At 31 December 2013	<u>843,592</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	4,031,024	3,884,055
(Loss)/profit for the financial year	(187,432)	146,969
Closing shareholders' funds	<u>3,843,592</u>	<u>4,031,024</u>

18. PENSION COSTS

The company contributes to personal pension plans for certain employees. The pension cost charge amounting to £20,564 (2012 - £20,930) represents contributions payable by the company during the year. Accrued contributions at the year end amounted to £1,732 (2012 - £1,919).

19. OPERATING LEASE COMMITMENTS

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2013 £	2012 £
Expiry date:		
After more than 5 years	-	325,000

GOLDEN LADY (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating profit before exceptional items	575,982	271,187
Exceptional items	(634,472)	-
Depreciation of tangible fixed assets	144,315	232,615
Loss on disposal of fixed assets	163,842	2,667
(Increase)/decrease in stocks	(969,816)	419,084
(Increase)/decrease in debtors	(1,077,026)	57,417
Increase/(decrease) in creditors	36,239	(203,208)
(Decrease)/increase in amounts owed to group undertakings	(575,885)	1,551,858
Net cash (outflow)/inflow from operating activities	(2,336,821)	2,331,620

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	8,883	1,669
Interest paid	-	(34,143)
Net cash inflow/(outflow) from returns on investments and servicing of finance	8,883	(32,474)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(36,510)	(111,702)
Financing		
Repayment of loans	-	(3,000,000)

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2013 £	Cash flow £	Other non-cash changes £	31 December 2013 £
Cash at bank and in hand	2,922,398	(2,391,379)	-	531,019
Net funds	2,922,398	(2,391,379)	-	531,019

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

23. 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.

24. 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.