

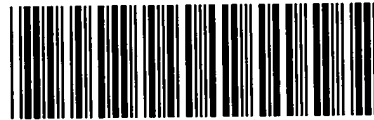
Registered number: 02027951

GOLDEN LADY (UK) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

TUESDAY



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30/06/2015

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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 Bank 7 High Street Leicester LE1 9FS
Solicitors	Bray & Bray Spa Place 36-42 Humberstone Gate Leicester LE5 0AE

GOLDEN LADY (UK) LIMITED

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GOLDEN LADY (UK) LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

Introduction

The directors are pleased to present their strategic report for the year ended 31 December 2014.

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 profit after tax of £251,918 in the year (2013 - loss of £187,432).

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.

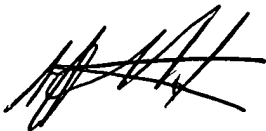
Principal risks and uncertainties

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 profit in the year of £342,323 (2013 - loss of £58,490) which has been achieved against an economic background that is challenging and competitive.

This report was approved by the board and signed on its behalf.



C A Hetherington
Director

Date:

18/06/2015

GOLDEN LADY (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Principal activities

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

Results

The profit for the year, after taxation, amounted to £251,918 (2013 - loss £187,432).

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.

Research and development activities

Expenditure has been incurred in the year on the development of new products.

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 and signed on its behalf.



C A Hetherington
Director

Date:

18/06/2015

GOLDEN LADY (UK) LIMITED

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the strategic report, 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 2014 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 2014 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

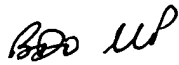
GOLDEN LADY (UK) LIMITED

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

19 June 2015

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 2014**

	Note	2014 £	2013 £
TURNOVER	1,2	15,150,003	16,265,489
Cost of sales		<u>(13,528,256)</u>	<u>(14,145,789)</u>
GROSS PROFIT		1,621,747	2,119,700
Distribution costs		<u>(539,491)</u>	<u>(631,271)</u>
Administrative expenses		<u>(739,933)</u>	<u>(912,447)</u>
Exceptional administrative expenses	8	-	<u>(634,472)</u>
Total administrative expenses		<u>(739,933)</u>	<u>(1,546,919)</u>
OPERATING PROFIT/(LOSS)	3	342,323	(58,490)
Interest receivable and similar income	6	456	8,883
Interest payable and similar charges	7	<u>(289)</u>	<u>-</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		342,490	(49,607)
Tax on profit/(loss) on ordinary activities	9	<u>(90,572)</u>	<u>(137,825)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	16	<u>251,918</u>	<u>(187,432)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

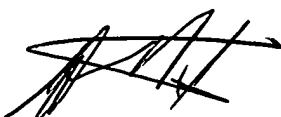
The notes on pages 9 to 17 form part of these financial statements.

GOLDEN LADY (UK) LIMITED
REGISTERED NUMBER: 02027951

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	10		547,728		636,282
CURRENT ASSETS					
Stocks	11	1,628,027		2,941,977	
Debtors	12	5,410,557		5,197,456	
Cash at bank		2,210,745		531,019	
		<u>9,249,329</u>		<u>8,670,452</u>	
CREDITORS: amounts falling due within one year	13	(5,698,724)		(5,463,142)	
NET CURRENT ASSETS			<u>3,550,605</u>		<u>3,207,310</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,098,333</u>		<u>3,843,592</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	14		(2,823)		-
NET ASSETS			<u><u>4,095,510</u></u>		<u><u>3,843,592</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		3,000,000		3,000,000
Profit and loss account	16		1,095,510		843,592
SHAREHOLDERS' FUNDS	17		<u><u>4,095,510</u></u>		<u><u>3,843,592</u></u>

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



C A Hetherington
Director

C Bosi
Director



18/06/2015

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 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	20	1,946,912	(2,336,821)
Returns on investments and servicing of finance	21	167	8,883
Taxation	21	(216,918)	(26,931)
Capital expenditure and financial investment	21	(50,435)	(36,510)
INCREASE/(DECREASE) IN CASH IN THE YEAR		1,679,726	(2,391,379)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014 £	2013 £
Increase/(Decrease) in cash in the year	1,679,726	(2,391,379)
MOVEMENT IN NET FUNDS IN THE YEAR	1,679,726	(2,391,379)
Net funds at 1 January 2014	531,019	2,922,398
NET FUNDS AT 31 DECEMBER 2014	2,210,745	531,019

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 2014

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.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those 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

Freehold land is not depreciated.

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 2014

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 Research and development

Research and development expenditure is written off in the year in which it is incurred.

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. OPERATING PROFIT/(LOSS)

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

	2014	2013
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	138,989	144,315
Auditor's remuneration	11,114	10,300
Operating lease rentals:		
- plant and machinery	-	1,477
- other operating leases	-	170,905
Research and development expenditure written off	98,000	-

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

4. STAFF COSTS

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

	2014 £	2013 £
Wages and salaries	405,535	461,949
Social security costs	41,144	44,861
Other pension costs	24,800	20,564
	<u>471,479</u>	<u>527,374</u>

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

	2014 No.	2013 No.
Sales and distribution	13	13
Administration	4	4
Retail	0	4
	<u>17</u>	<u>21</u>

5. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>167,792</u>	<u>152,302</u>
Company pension contributions to defined contribution pension schemes	<u>13,301</u>	<u>12,432</u>

During the year retirement benefits were accruing to 2 directors (2013 - 2) in respect of defined contribution pension schemes.

6. INTEREST RECEIVABLE

	2014 £	2013 £
Bank interest receivable	<u>456</u>	<u>8,883</u>

7. INTEREST PAYABLE

	2014 £	2013 £
On loans from group undertakings	<u>289</u>	<u>-</u>

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

8. EXCEPTIONAL ITEMS

	2014 £	2013 £
Lease termination costs	-	376,770
Professional fees	-	111,600
Loss on disposal of assets	-	146,102
	<u>-</u>	<u>634,472</u>

The above exceptional costs are attributable to the closure of a Golden Point store in 2013.

9. TAXATION

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit/loss for the year	86,429	134,143
Deferred tax		
Origination and reversal of timing differences	3,906	3,587
Effect of decreased tax rate on opening liability	237	95
Total deferred tax (see note 14)	<u>4,143</u>	<u>3,682</u>
Tax on profit/loss on ordinary activities	<u>90,572</u>	<u>137,825</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21% (2013 - 23%). The differences are explained below:

	2014 £	2013 £
Profit/loss on ordinary activities before tax	<u>342,490</u>	<u>(49,607)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013 - 23%)	71,923	(11,410)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,168	94,965
Depreciation in the year in excess of capital allowances	11,603	47,363
Changes in provisions leading to a decrease in the tax charge	(248)	(43)
Effect of change in tax rate in the year	1,983	3,268
Current tax charge for the year (see note above)	<u>86,429</u>	<u>134,143</u>

GOLDEN LADY (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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 one percentage point to 20% in April 2015, where it will remain. This new rate is expected to affect future tax charges and is therefore disclosed.

10. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant, machinery, motor vehicles and merchand- ising equipment £	Total £
Cost			
At 1 January 2014	2,010,022	832,453	2,842,475
Additions	-	50,435	50,435
Disposals	-	(121,717)	(121,717)
At 31 December 2014	<u>2,010,022</u>	<u>761,171</u>	<u>2,771,193</u>
Depreciation			
At 1 January 2014	1,478,062	728,131	2,206,193
Charge for the year	74,784	64,205	138,989
On disposals	-	(121,717)	(121,717)
At 31 December 2014	<u>1,552,846</u>	<u>670,619</u>	<u>2,223,465</u>
Net book value			
At 31 December 2014	<u>457,176</u>	<u>90,552</u>	<u>547,728</u>
At 31 December 2013	<u>531,960</u>	<u>104,322</u>	<u>636,282</u>

Included in freehold land and buildings is freehold land at cost of £141,633 (2013 - £141,633) which is not depreciated.

11. STOCKS

	2014 £	2013 £
Finished goods and goods for resale	<u>1,628,027</u>	<u>2,941,977</u>

GOLDEN LADY (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

12. DEBTORS

	2014 £	2013 £
Trade debtors	5,382,115	5,172,433
Other debtors	28,442	23,703
Deferred tax asset (see note 14)	-	1,320
	<u>5,410,557</u>	<u>5,197,456</u>

**13. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	69,813	51,645
Amounts owed to group undertakings	4,500,597	4,067,210
Corporation tax	3,654	134,143
Other taxation and social security	993,720	1,110,438
Other creditors	130,940	99,706
	<u>5,698,724</u>	<u>5,463,142</u>

14. DEFERRED TAXATION

	2014 £	2013 £
At beginning of year	(1,320)	(5,002)
Movement in the year	4,143	3,682
	<u>2,823</u>	<u>(1,320)</u>

The deferred taxation balance is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	2,933	(973)
Short term timing differences	(110)	(347)
	<u>2,823</u>	<u>(1,320)</u>

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

15. SHARE CAPITAL

	2014 £	2013 £
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 2014	843,592
Profit for the financial year	251,918
	<u>1,095,510</u>
At 31 December 2014	

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	3,843,592	4,031,024
Profit/(loss) for the financial year	251,918	(187,432)
	<u>4,095,510</u>	<u>3,843,592</u>
Closing shareholders' funds		

18. CONTINGENT LIABILITIES

Golden Lady (UK) Limited is acting as guarantor to Dr D Dawson in respect of a tenancy agreement entered into by a family member of M Grassi, a director of the company. The company would be liable for £41,340 (2013 - £Nil) in the event that the tenant defaults on all payments.

19. PENSION COSTS

The company contributes to personal pension plans for certain employees. The pension cost charge amounting to £24,800 (2013 - £20,564) represents contributions payable by the company during the year. Accrued contributions at the year end amounted to £1,656 (2013 - £1,732).

GOLDEN LADY (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit before exceptional items	342,323	575,982
Exceptional items	-	(634,472)
Depreciation of tangible fixed assets	138,989	144,315
Loss on disposal of tangible fixed assets	-	163,842
Decrease/(increase) in stocks	1,313,950	(969,816)
Increase in debtors	(214,421)	(1,077,026)
(Decrease)/increase in creditors	(67,316)	36,239
Increase/(decrease) in amounts owed to group undertakings	433,387	(575,885)
Net cash inflow/(outflow) from operating activities	1,946,912	(2,336,821)

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

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	456	8,883
Interest paid	(289)	-
Net cash inflow from returns on investments and servicing of finance	167	8,883
	2014 £	2013 £
Taxation		
Corporation tax	(216,918)	(26,931)
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(50,435)	(36,510)

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2014 £	Cash flow £	Other non-cash changes £	31 December 2014 £
Cash at bank and in hand	531,019	1,679,726	-	2,210,745
Net funds	531,019	1,679,726	-	2,210,745

GOLDEN LADY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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.