

Golden Lady (UK) Limited

Directors' Report and Unaudited

Financial Statements

Year Ended

31 December 2019

Company Number 02027951

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Golden Lady (UK) Limited

Company Information

Directors	N Grassi C A Hetherington C Bosi
Company secretary	C A Hetherington
Registered number	02027951
Registered office	Golden Lady - C/O B Taylor & Sons Export Drive Huthwaite Sutton In Ashfield NG17 6AF
Accountants	BDO LLP Regent House Clinton Avenue Nottingham NG5 1AZ
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

Directors' Report For the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors

The directors who served during the year were:

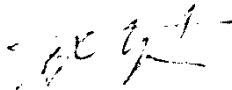
N Grassi
C A Hetherington
C Bosi

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The parent company, ENGIFIN S.p.A, has agreed to guarantee the liabilities of the company thereby allowing it to take exemption from audit under section 479A of the Companies Act 2006.

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



C A Hetherington
Director

Date: 07 July 2020

Golden Lady (UK) Limited

Chartered Accountants' Report to the Board of Directors on the Unaudited Financial Statements of Golden Lady (UK) Limited for the Year End 31 December 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Golden Lady (UK) Limited for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

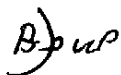
As a practicing member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

It is your duty to ensure that Golden Lady (UK) Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Golden Lady (UK) Limited. You consider that Golden Lady (UK) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Golden Lady (UK) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Use of our report

This report is made solely to the board of directors of Golden Lady (UK) Limited, as a body, in accordance with the terms of our engagement letter dated 22 January 2020. Our work has been undertaken solely to prepare for your approval the accounts of Golden Lady (UK) Limited and state those matters that we have agreed to state to the board of directors of Golden Lady (UK) Limited as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Golden Lady (UK) Limited and its board of directors as a body for our work or for this report.



BDO LLP
Nottingham
United Kingdom

Date: 7 July 2020

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

Golden Lady (UK) Limited

Statement of Comprehensive Income For the Year Ended 31 December 2019

	2019 £	2018 £
Turnover	4,530,803	9,106,665
Cost of sales	(4,145,123)	(8,463,018)
Gross profit	385,680	643,647
Distribution costs	(216,367)	(300,828)
Administrative expenses	(312,977)	(444,495)
Other operating income	.	54,000
Exceptional item - profit on the sale of freehold property	2,006,088	-
Operating profit/(loss)	1,862,424	(47,676)
Interest receivable and similar income	17,347	4,647
Profit/(loss) on ordinary activities before taxation	1,879,771	(43,029)
Taxation	.	-
Profit/(loss) for the financial year	1,879,771	(43,029)

The notes on pages 7 to 13 form part of these financial statements.

Golden Lady (UK) Limited
Registered number: 02027951

Balance Sheet
As at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	29,535	250,111
Current assets			
Stocks		251,101	621,896
Debtors: Amounts falling due within one year	5	2,186,979	2,794,038
Bank and cash balances		1,544,199	1,043,887
		<u>3,982,279</u>	<u>4,459,821</u>
Creditors: Amounts falling due within one year	6	<u>(759,851)</u>	<u>(787,740)</u>
Net current assets		<u>3,222,428</u>	<u>3,672,081</u>
Total assets less current liabilities		<u>3,251,963</u>	<u>3,922,192</u>
Net assets		<u><u>3,251,963</u></u>	<u><u>3,922,192</u></u>
Capital and reserves			
Called up Share Capital	7	1,200,000	3,000,000
Capital Redemption Reserve	8	1,800,000	-
Profit and Loss Account	8	251,963	922,192
		<u><u>3,251,963</u></u>	<u><u>3,922,192</u></u>

Golden Lady (UK) Limited
Registered number:02027951

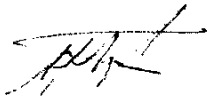
Balance Sheet (continued)
As at 31 December 2019

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 1A - small entities.

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



C A Hetherington
Director

Date: 27 July 2020



C Bosi
Director

Date: 7 July 2020

The notes on pages 7 to 13 form part of these financial statements.

Golden Lady (UK) Limited

Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up Share Capital £	Capital Redemption Reserve £	Profit and Loss Account £	Total Equity £
At 1 January 2018	3,000,000	-	965,221	3,965,221
Comprehensive income for the year				
Loss for the year	-	-	(43,029)	(43,029)
Total comprehensive income for the year	-	-	(43,029)	(43,029)
At 1 January 2019	3,000,000	-	922,192	3,922,192
Comprehensive income for the year				
Profit for the year	-	-	1,879,771	1,879,771
Total comprehensive income for the year	-	-	1,879,771	1,879,771
Dividends: Equity capital	-	-	(750,000)	(750,000)
Purchase of own shares	-	-	(1,800,000)	(1,800,000)
Shares cancelled during the year	(1,800,000)	-	-	(1,800,000)
Transfer from called up Share Capital	-	1,800,000	-	1,800,000
Total transactions with owners	(1,800,000)	1,800,000	(2,550,000)	(2,550,000)
At 31 December 2019	1,200,000	1,800,000	251,963	3,251,963

The notes on pages 7 to 13 form part of these financial statements.

Golden Lady (UK) Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

1. General information

Golden Lady (UK) Limited, a company limited by shares and registered in England under number: 02027951, presents its financial statements for the year ended 31 December 2019.

The presentation currency for the financial statements is Pounds Sterling (£). The Company is a private company, limited by shares, registered in England and Wales and was incorporated under the Companies Act 1985. The registered office of the Company is Golden Lady - C/O B Taylor & Sons, Export Drive, Huthwaite, Sutton In Ashfield, NG17 6AF.

The principal activity of the Company during the year continued to be that of sales, marketing and distribution of ladies tights, stockings and socks.

A summary of the Company's accounting policies, which have been consistently applied, are set out below:

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of the financial statements in compliance with Section 1A FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. There are no material judgements or key estimates made in the preparation of these financial statements.

2.2 Going concern

The directors of the Company are currently assessing the impact of COVID-19. The situation is evolving rapidly and it is not possible at this stage to determine with any certainty the impact on the Company, its customers, employees and suppliers.

The directors are continually reviewing their plans and forecasts and believe that the going concern basis is appropriate in the short term, however depending on the severity and length of the crisis there is a risk that the Company could require further funding or support. As at the date of the approval of these financial statements, the directors of ENGIFIN S.p.A., the parent company, have formally confirmed in writing that they will provide financial support as and when required to allow the company to continue to trade. The financial support will allow the company to operate in a lawful and proper manner and satisfy all third party obligations in full when they become due.

Notwithstanding this support, the directors consider there to be a material uncertainty, which may cast significant doubt over the company's ability to continue as a going concern.

Golden Lady (UK) Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Golden Lady (UK) Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.6 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 20-33% Straight Line
Motor vehicles	- 33.3% Straight Line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Golden Lady (UK) Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each Balance Sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Golden Lady (UK) Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including the directors, during the year was 5 (2018: 11).

4. Tangible fixed assets

	Freehold land and buildings £	Plant, machinery and motor vehicles £	Total £
Cost			
At 1 January 2019	2,004,944	660,167	2,665,111
Additions		6,025	6,825
Disposals	(2,004,944)	(459,655)	(2,464,599)
At 31 December 2019	-	197,337	197,337
Depreciation			
At 1 January 2019	1,811,031	593,969	2,405,000
Charge for the year	-	22,125	22,125
Disposals	(1,811,031)	(448,292)	(2,259,323)
At 31 December 2019	-	167,802	167,802
Net book value			
At 31 December 2019	-	29,535	29,535
At 31 December 2018	193,913	56,198	250,111

Golden Lady (UK) Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

5. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	1,213,945	2,767,305
Amounts owed by group undertakings	970,359	-
Other debtors	2,675	26,733
	<u>2,186,979</u>	<u>2,794,038</u>

6. Creditors: Amounts falling due within one year

	2019 £	Restated 2018 £
Trade creditors	13,081	19,759
Amounts owed to group undertakings	437,498	314,132
Taxation and social security	268,667	371,131
Other creditors	40,605	82,718
	<u>759,851</u>	<u>787,740</u>

The directors have reclassified £1,612 appearing in bank overdraft in 2018 to other creditors as in their opinion this was an incorrect classification. There is no impact on the results or net assets of this reclassification.

7. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
12,000 (2018: 30,000) Ordinary shares of £100.00 each	<u>1,200,000</u>	<u>3,000,000</u>

On 30 October 2019 Golden Lady (UK) Limited purchased 18,000 of its own ordinary shares at a nominal value of £100 per share totalling £1,800,000 from its parent company ENGIFIN S.p.A. On that date the Company cancelled the shares and a credit to the Capital Redemption Reserve was made.

Golden Lady (UK) Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

8. Reserves

Capital Redemption Reserve

The Capital Redemption Reserve is a non-distributable reserve and represents paid up share capital.

Profit and Loss Account

The Profit and loss Account represents the cumulative profits and losses of the Company.

9. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Property		
Not later than 1 year	<u>10,800</u>	<u>-</u>

10. Related party transactions

Golden Lady (UK) Limited was a wholly owned sub-subsidiary of ENGIFIN S.p.A. throughout the financial year up to and including 31 December 2019. Consolidated accounts of ENGIFIN S.p.A. are publicly available in Italy. Therefore, advantage has been taken of the exemption offered by Financial Reporting Standard 102 (Section 33) from the requirement to disclose transactions with other group companies.

11. Controlling party

The company is a wholly owned subsidiary of ENGIFIN S.p.A, which is also the ultimate parent company.

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

The company's ultimate controlling party is Nadia Grassi.