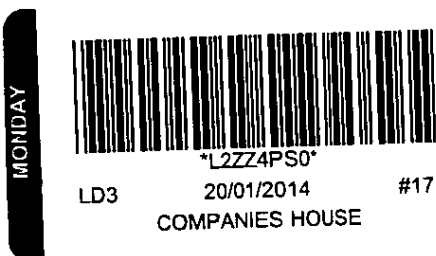


Company Registration No. 895642 (England and Wales)

**INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 30 APRIL 2013**



# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	R Caring J W S Lawrence S Mchta
<b>Secretary</b>	R McCarthy
<b>Company number</b>	895642
<b>Registered office</b>	26-28 Conway Street London W1T 6BQ
<b>Auditors</b>	H W Fisher & Company Acre House 11-15 Wilham Road London NW1 3ER United Kingdom
<b>Business address</b>	26-28 Conway Street London W11 6BQ
<b>Bankers</b>	HSBC Bank plc City Corporate Banking Centre 60 Queen Victoria Street London EC4N 4TR

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# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

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# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## DIRECTORS' REPORT

*FOR THE YEAR ENDED 30 APRIL 2013*

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The directors present their report and group financial statements for the year ended 30 April 2013

### Principal activities and review of the business

The principal activity of the business continues to be that of design and distribution of clothing and accessories

Consumer spending continues to remain subdued and in the challenging environment, the UK clothing market continues to be subjected to the multiple pressures of stagnant growth, reduced customer spending and continued upward pressures on raw material and labour costs. Despite these pressures, the group's turnover increased year on year by 1.6%. Although the gross profit margin was lower by 0.1% against last year, the group has reported underlying profit before tax of £88,535 (2012 - £25,239)

The group's turnover continues to be a combination of both invoiced sales and commissions. The mix may change from year to year and is dependent upon the requirements or preferences of the group's customers. This therefore has a direct impact upon the reported turnover and gross profit levels.

In difficult market conditions, the group's gross margin has reduced to 12.1% (2012 - 12.2%). Given the very challenging trading environment the directors believe the results to be good. The directors continue to investigate and implement cost saving initiatives together with increased revenue generating activities to improve the performance of the group. The directors believe that the long-term financial success of the group will continue to be based upon its design innovation and continued close working relationship with both customers and suppliers.

The group made a pre-tax profit of £88,535 (2012 - £25,239) for the period on a turnover of £34,365,441 (2012 - £33,831,827)

At 30 April 2013 the group had net assets of £10,405,378 (2012 - £9,990,496)

The principal risks and uncertainties facing the group arise from the high level of retailer competition, credit risk, subdued consumer spending, the significant price inflation on product sourced from the Far East and from volatility in exchange rates.

The directors recognise they have little influence over these economic risks, however, the directors have taken actions to minimise the effect of these factors wherever possible and in particular on the potential failure of customers and currency risk.

The directors took the decision to purchase credit insurance on selected customers to mitigate the potential risk of non-payment. So far, there have been no cases where the group has had to make a claim.

As the group purchases all goods for resale in foreign currency, the directors accept the group has a significant financial exposure to movements in exchange rates. If the group did nothing, the purchase price for the group's product would be subject to exchange rate fluctuations and therefore not ascertained until paid. In the opinion of the directors, this would be an unacceptable risk and therefore, it is the group's policy to mitigate this using currency hedging techniques. The directors continue to review their exchange risk strategy to ensure it continues to manage this currency risk effectively and efficiently.

In the opinion of the directors, there are no Key Performance Indicators whose additional disclosure is necessary for an understanding of the development, performance or position of the business.

### Dividends

The directors do not recommend any final dividend in respect of any class of shares as at 30 April 2013.

### Directors

The directors who served during the period were

R Caring

J W S Lawrence

S Mehta

### Charitable donations

During the year the group made charitable donations of £7,150 (2012 - £6,000), company £5,000 (2012 - £4,000)

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# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## DIRECTORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2013*

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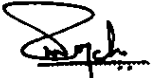
### Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

### Auditors

H W Fisher & Company are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

On behalf of the board



S Mehta

Director

Dated

20/04/2013

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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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 group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

We have audited the group and parent company financial statements (the "financial statements") of International Clothing Designs (Holdings) Limited for the year ended 30 April 2013 set out on pages 5 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement on page 3, 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 group's and the parent 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 group's and parent company's affairs as at 30 April 2013 and of the group's 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.

#### 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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.

David Selwyn (Senior Statutory Auditor)

for and on behalf of H W Fisher & Company

Chartered Accountants

Statutory Auditor

Accr. House

11-15 William Road

London

United Kingdom

NW1 3ER

Dated

20 November 2013

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2013

	Notes	Year ended 30 April 2013 £	Period ended 30 April 2012 £
<b>Turnover</b>	2	34,365,441	33,831,827
Cost of sales		(30,196,215)	(29,680,019)
<b>Gross profit</b>		4,169,226	4,151,808
Administrative expenses		(4,422,779)	(4,336,271)
Other operating income		393,556	215,969
<b>Operating profit</b>	3	140,003	31,506
Other interest receivable and similar income		156,227	246,602
Interest payable and similar charges	6	(207,695)	(252,869)
<b>Profit on ordinary activities before taxation</b>		88,535	25,239
Tax on profit on ordinary activities	7	(62,451)	(54,086)
<b>Profit/(loss) on ordinary activities after taxation</b>		26,084	(28,847)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account



# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## STATEMENT OF RECOGNISED GAINS AND LOSSES

*FOR THE YEAR ENDED 30 APRIL 2013*

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	Year ended 30 April 2013 £	Period ended 30 April 2012 £
Profit/(loss) for the financial period	26,084	(28,847)
Unrealised surplus on revaluation of properties	388,798	-
<b>Total recognised gains and losses relating to the period</b>	<u>414,882</u>	<u>(28,847)</u>

### Note of historical cost profits and losses

	Year ended 30 April 2013 £	Period ended 30 April 2012 £
Reported profit on ordinary activities before taxation	88,535	25,239
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	67,423	69,356
<b>Historical cost profit on ordinary activities before taxation</b>	<u>155,958</u>	<u>94,595</u>
<b>Historical cost profit for the year retained after taxation, extraordinary items and dividends</b>	<u>93,507</u>	<u>40,509</u>

**INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED****BALANCE SHEETS****AS AT 30 APRIL 2013**

	Notes	Group 2013 £	2012 £	Company 2013 £	2012 £
<b>Fixed assets</b>					
Tangible assets	10	7,745,175	7,205,880	7,727,497	7,201,593
Investments	11	-	-	2,005,000	2,005,000
		<u>7,745,175</u>	<u>7,205,880</u>	<u>9,732,497</u>	<u>9,206,593</u>
<b>Current assets</b>					
Stocks	12	891,341	1,784,614	15,278	134,193
Debtors	13	10,323,571	8,515,500	6,158,399	6,260,901
Cash at bank and in hand		3,115,600	1,746,121	-	-
		<u>14,330,512</u>	<u>12,046,235</u>	<u>6,173,677</u>	<u>6,395,094</u>
<b>Creditors amounts falling due within one year</b>	14	<u>(9,854,077)</u>	<u>(7,020,345)</u>	<u>(4,360,035)</u>	<u>(4,041,953)</u>
<b>Net current assets</b>		<u>4,476,435</u>	<u>5,025,890</u>	<u>1,813,642</u>	<u>2,353,141</u>
<b>Total assets less current liabilities</b>		<u>12,221,610</u>	<u>12,231,770</u>	<u>11,546,139</u>	<u>11,559,734</u>
<b>Creditors amounts falling due after more than one year</b>	15	<u>(1,816,232)</u>	<u>(2,241,274)</u>	<u>(1,816,232)</u>	<u>(2,241,274)</u>
		<u>10,405,378</u>	<u>9,990,496</u>	<u>9,729,907</u>	<u>9,318,460</u>
<b>Capital and reserves</b>					
Called up share capital	17	4,464,998	4,464,998	4,464,998	4,464,998
Revaluation reserve	18	4,516,532	4,195,157	4,516,532	4,195,157
Other reserves	18	467,775	467,775	467,775	467,775
Profit and loss account	18	956,073	862,566	280,602	190,530
<b>Shareholders' funds</b>	19	<u>10,405,378</u>	<u>9,990,496</u>	<u>9,729,907</u>	<u>9,318,460</u>

Approved by the Board and authorised for issue on 20/04/2013


S Mehta  
Director

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2013

	Notes	£	Year ended 30 April 2013 £	£	Period ended 30 April 2012 £
<b>Net cash (outflow)/inflow from operating activities</b>	20		(257,252)		1,710,820
<b>Returns on investments and servicing of finance</b>					
Interest received		156,227		246,602	
Interest paid		(207,695)		(252,869)	
<b>Net cash outflow for returns on investments and servicing of finance</b>			(51,468)		(6,267)
<b>Taxation</b>			76,548		(51,000)
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets		(335,380)		(16,562)	
<b>Net cash outflow for capital expenditure</b>			(335,380)		(16,562)
<b>Net cash (outflow)/inflow before financing</b>			(567,552)		1,636,991
<b>Financing</b>					
Repayment of long term bank loan		(418,761)		(439,483)	
<b>Net cash outflow from financing</b>			(418,761)		(439,483)
<b>(Decrease)/increase in cash in the period</b>	22, 21		(986,313)		1,197,508

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2013

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### 1 Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of land and buildings and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

The financial statements relate to the year to 30 April 2013. The comparatives relate to the 12 month period from 4 May 2011 to 30 April 2012.

#### 1.2 Basis of consolidation

The consolidated profit and loss account and balance sheet include the accounts of the company and its subsidiary undertakings made up to 30 April 2013. Intra-group sales and profits are eliminated fully on consolidation.

#### 1.3 Turnover

Turnover represents the invoiced value of goods sold and services provided net of VAT and discounts given.

#### 1.4 Goodwill

Goodwill arising on acquisitions has been amortised on a straight line basis over its expected useful economic life of 10 years.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated	
Freehold buildings	2% Straight line
Fixtures, fittings & equipment	20% - 33% Straight line
Motor vehicles	25% Straight line

#### 1.6 Investments

Fixed asset investments are stated at cost less any provision for impairment in value.

#### 1.7 Stock

Stock is stated at the lower of cost and net realisable value. Cost includes an appropriate proportion of duty, freight and storage.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

#### 1.8 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### 1.9 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date, except where these have been hedged, in which case, the hedged rate will be used. All differences are taken to profit and loss account.

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

### 2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit	2013	2012
	£	£
Operating profit is stated after charging:		
Depreciation of owned tangible assets	184,883	202,190
Operating lease rentals		
- Plant and machinery	18,428	4,974
Fees payable to the group's auditor for the audit of the group's annual accounts (company £15,000 2012 £15,000)	45,750	47,500
	<u>          </u>	<u>          </u>

4 Directors' emoluments	2013	2012
	£	£

Emoluments for qualifying services	367,372	353,127
	<u>          </u>	<u>          </u>

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	252,874	240,715
	<u>          </u>	<u>          </u>

### 5 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2013	2012
	Number	Number
Selling and distribution	7	6
Administration	47	52
	<u>          </u>	<u>          </u>
	54	58
	<u>          </u>	<u>          </u>

Employment costs	2013	2012
	£	£
Wages and salaries	2,562,098	2,581,688
Social security costs	271,206	276,731
	<u>          </u>	<u>          </u>
	2,833,304	2,858,419
	<u>          </u>	<u>          </u>

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

6	Interest payable	2013	2012
		£	£
	On bank loans and overdrafts	121,356	176,550
	Other interest	86,339	76,319
		<u>207,695</u>	<u>252,869</u>
		<u><u>207,695</u></u>	<u><u>252,869</u></u>
7	Taxation	2013	2012
		£	£
	<b>Domestic current year tax</b>		
	U K corporation tax	29,809	41,680
		<u>29,809</u>	<u>41,680</u>
	<b>Current tax charge</b>	29,809	41,680
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	30,762	7,981
	Effect of decreased tax rate on opening asset	1,880	4,425
		<u>62,451</u>	<u>54,086</u>
		<u><u>62,451</u></u>	<u><u>54,086</u></u>
	<b>Factors affecting the tax charge for the period</b>		
	Profit on ordinary activities before taxation	88,535	25,239
		<u>88,535</u>	<u>25,239</u>
		<u><u>88,535</u></u>	<u><u>25,239</u></u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.92% (2012 - 25.83%)	21,178	6,519
		<u>21,178</u>	<u>6,519</u>
		<u><u>21,178</u></u>	<u><u>6,519</u></u>
	Effects of		
	Non deductible expenses	4,126	3,940
	Capital allowances for period in deficit/(excess) of depreciation	4,495	31,347
	Other tax adjustments	10	(126)
		<u>8,631</u>	<u>35,161</u>
		<u><u>8,631</u></u>	<u><u>35,161</u></u>
	<b>Current tax charge</b>	29,809	41,680
		<u>29,809</u>	<u>41,680</u>
		<u><u>29,809</u></u>	<u><u>41,680</u></u>

The group has carried forward capital losses at 30 April 2013 of approximately £1,300,000 (2012 - £1,300,000). No deferred tax asset has been recognised in respect of these losses due to insufficient certainty over the extent and timing of its recoverability. Such an asset would be recoverable should future chargeable gains arise against which the losses can be offset. The value of the asset should all losses be fully recoverable, at a deferred tax rate of 23% (2012 - 24%), would be approximately £300,000 (2012 - £310,000).

No deferred tax is provided on the revalued property as there is no binding commitment to sell at the year end. Based on the current revalued amount, no significant tax would become payable on the sale of the property due to the availability of the capital losses described above.

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2013

#### 8 Profit/(loss) for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit/(loss) for the financial year is made up as follows:

	2013	2012
	£	£
Holding company's profit/(loss) for the financial year	22,649	(167,422)

#### 9 Intangible fixed assets

##### Group

	Goodwill
	£
<b>Cost</b>	
At 1 May 2012 & at 30 April 2013	2,234,181
<b>Amortisation</b>	
At 1 May 2012 & at 30 April 2013	2,234,181
<b>Net book value</b>	
At 30 April 2013	-
At 30 April 2012	-

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

### 10 Tangible fixed assets

Group	Freehold land and buildings	Fixtures, Motor vehicles fittings & equipment		Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 May 2012	7,300,000	516,955	9,856	7,826,811
Additions	285,000	50,380	-	335,380
Revaluation	65,000	-	-	65,000
Disposals	-	(109,892)	-	(109,892)
At 30 April 2013	7,650,000	457,443	9,856	8,117,299
<b>Depreciation</b>				
At 1 May 2012	184,213	427,683	9,035	620,931
Revaluation	(323,798)	-	-	(323,798)
On disposals	-	(109,892)	-	(109,892)
Charge for the year	142,767	41,295	821	184,883
At 30 April 2013	3,182	359,086	9,856	372,124
<b>Net book value</b>				
At 30 April 2013	7,646,818	98,357	-	7,745,175
At 30 April 2012	7,115,787	89,272	821	7,205,880

The freehold land and buildings were valued at £7,650,000 on an open market basis in April 2013 by Edward Symmons LLP, an independent firm of chartered surveyors. The valuation was undertaken in accordance with the Royal Institution of Chartered Surveyors Valuation Standards. Based on this valuation, the directors consider the current net book value of the property reflects its open market value as at 30 April 2013.

#### Comparable historical cost for the land and buildings included at valuation.

	£
<b>Cost</b>	
At 1 May 2012	3,820,589
Additions	285,000
At 30 April 2013	4,105,589
<b>Depreciation based on cost</b>	
At 1 May 2012	959,394
Charge for the year	75,344
At 30 April 2013	1,034,738
<b>Net book value</b>	
At 30 April 2013	3,070,851
At 30 April 2012	2,861,195



# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

### Tangible fixed assets (continued)

#### Company

	Freehold land and buildings	Fixtures, Motor vehicles fittings & equipment		Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 May 2012	7,300,000	505,512	9,856	7,815,368
Additions	285,000	28,429	-	313,429
Revaluation	65,000	-	-	65,000
Disposals	-	(102,424)	-	(102,424)
At 30 April 2013	7,650,000	431,517	9,856	8,091,373
<b>Depreciation</b>				
At 1 May 2012	184,213	420,527	9,035	613,775
Revaluation	(323,798)	-	-	(323,798)
On disposals	-	(102,424)	-	(102,424)
Charge for the year	142,767	32,735	821	176,323
At 30 April 2013	3,182	350,838	9,856	363,876
<b>Net book value</b>				
At 30 April 2013	7,646,818	80,679	-	7,727,497
At 30 April 2012	7,115,787	84,985	821	7,201,593

The freehold land and buildings were valued at £7,650,000 on an open market basis in April 2013 by Edward Symmons I.J.P, an independent firm of chartered surveyors. The valuation was undertaken in accordance with the Royal Institution of Chartered Surveyors Valuation Standards. Based on this valuation, the directors consider the current net book value of the property reflects its open market value as at 30 April 2013.

#### Comparable historical cost for the land and buildings included at valuation

	£
<b>Cost</b>	
At 1 May 2012	3,820,589
Additions	285,000
At 30 April 2013	4,105,589
<b>Depreciation based on cost</b>	
At 1 May 2012	959,394
Charge for the year	75,344
At 30 April 2013	1,034,738
<b>Net book value</b>	
At 30 April 2013	3,070,851
At 30 April 2012	2,861,195

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

### 11 Fixed asset investments

Company	Shares in subsidiary undertakings
	£
<b>Cost or valuation</b>	
At 1 May 2012 & at 30 April 2013	2,005,000
<b>Net book value</b>	
At 30 April 2013	2,005,000
At 30 April 2012	2,005,000

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
<b>Subsidiary undertakings</b>			
Clashforce Limited	England	Ordinary	100
Tapestry Design Company Limited	England	Ordinary	100
The Nashville Corporation Limited	England	Ordinary	100
Standrate Limited	England	Ordinary	100

The principal activity of these undertakings for the last relevant financial period was as follows

	Principal activity
Clashforce Limited	Dormant
Tapestry Design Company Limited	Clothing
The Nashville Corporation Limited	Dormant
Standrate Limited	Dormant

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

### 12 Stocks

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Raw materials and consumables	100,304	77,783	-	-
Finished goods and goods for resale	791,037	1,706,831	15,278	134,193
	<u>891,341</u>	<u>1,784,614</u>	<u>15,278</u>	<u>134,193</u>

### 13 Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Debtors factored without recourse				
Gross debts	406,696	94,963	-	-
Less non-returnable proceeds	(356,543)	(59,996)	-	-
	<u>50,153</u>	<u>34,967</u>	<u>-</u>	<u>-</u>
Debtors factored with recourse	1,941,415	853,966	-	-
Trade debtors	165,072	308,469	165,072	267,813
Amounts owed by group undertakings	-	-	103,269	57,963
Amounts owed by companies under common control	7,644,306	6,659,236	5,439,753	5,335,806
Corporation tax	77,728	184,085	67,717	180,765
Other debtors	132,538	169,978	87,490	127,773
Prepayments and accrued income	299,864	259,662	288,117	251,802
Deferred tax asset (see note 16)	12,495	45,137	6,981	38,979
	<u>10,323,571</u>	<u>8,515,500</u>	<u>6,158,399</u>	<u>6,260,901</u>

Factored debts have been provided as security against advances drawn down in respect of them. In the case of debts factored without recourse the debt net of advances is presented above. In the case of debts factored with recourse, the corresponding liability at the balance sheet date is presented as 'Other loans' in Note 14.

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

14 Creditors amounts falling due within one year

	Group 2013	2012	Company 2013	2012
	£	£	£	£
Bank loans	421,829	415,548	421,829	415,548
Bank overdrafts and short term loans	5,977,539	3,621,747	3,328,029	2,709,584
Trade creditors	1,441,836	1,158,503	366,948	315,882
Amounts owed to group undertakings	-	-	8,162	8,162
Amounts owed to companies under common control	24,493	727,635	24,493	322,797
Other taxes and social security costs	161,955	181,492	57,095	70,428
Other loans	1,198,781	472,085	-	-
Other creditors	464,528	168,052	27,845	18,852
Accruals and deferred income	163,116	275,283	125,634	180,700
	<u>9,854,077</u>	<u>7,020,345</u>	<u>4,360,035</u>	<u>4,041,953</u>

Bank loans and overdrafts are secured by a fixed and floating charge over the Group's present and future assets together with intercompany guarantees. The bank has first legal charge over the freehold property of the group and company.

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

15 Creditors amounts falling due after more than one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	1,816,232	2,241,274	1,816,232	2,241,274
<b>Analysis of loans</b>				
Not wholly repayable within five years by instalments				
Bank loan repayable by July 2018	2,238,061	2,656,822	2,238,061	2,656,822
Included in current liabilities	(421,829)	(415,548)	(421,829)	(415,548)
	1,816,232	2,241,274	1,816,232	2,241,274
<b>Loan maturity analysis</b>				
Within one year	421,829	415,548	421,829	415,548
In more than one year but not more than two years	428,157	421,781	428,157	421,781
In more than two years but not more than five years	1,323,390	1,303,684	1,323,390	1,303,684
In more than five years	64,685	515,809	64,685	515,809
	2,238,061	2,656,822	2,238,061	2,656,822

The bank loan is repayable by July 2018 and bears interest at 1% above the HSBC base rate.

The bank loans are secured by a first fixed charge over present and future fixed assets and a floating charge over all other assets. The bank also holds first legal charge over the freehold property owned by the group and company.

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2013

#### 16 Provisions for liabilities

The deferred tax asset (included in debtors, note 13) is made up as follows

	Group 2013 £	Company 2013 £
Balance at 1 May 2012	(45,137)	(38,979)
Profit and loss account	32,642	31,998
	<u>          </u>	<u>          </u>
Balance at 30 April 2013	<u>(12,495)</u>	<u>(6,981)</u>

Deferred tax is provided at 23% (2012 - 24%) analysed over the following timing differences

	Group 2013 £	2012 £	Company 2013 £	2012 £
Decelerated capital allowances	<u>(12,495)</u>	<u>(45,137)</u>	<u>(6,981)</u>	<u>(38,979)</u>

#### 17 Share capital

	2013 £	2012 £
<b>Allotted, called up and fully paid</b>		
9,998 Ordinary shares of £1 each	9,998	9,998
4,455,000 Preference shares of £1 each	4,455,000	4,455,000
	<u>          </u>	<u>          </u>
	<u>4,464,998</u>	<u>4,464,998</u>

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

### 18 Statement of movements on reserves

#### Group

	Revaluation reserve	Other reserves	Profit and loss account
	£	£	£
Balance at 1 May 2012	4,195,157	467,775	862,566
Profit for the period	-	-	26,084
Revaluation during the year	388,798	-	-
Depreciation written back	(67,423)	-	67,423
Balance at 30 April 2013	<u>4,516,532</u>	<u>467,775</u>	<u>956,073</u>

#### Company

	Revaluation reserve	Other reserves	Profit and loss account
	£	£	£
Balance at 1 May 2012	4,195,157	467,775	190,530
Profit for the year	-	-	22,649
Revaluation during the year	388,798	-	-
Depreciation written back	(67,423)	-	67,423
Balance at 30 April 2013	<u>4,516,532</u>	<u>467,775</u>	<u>280,602</u>

### 19 Reconciliation of movements in shareholders' funds

#### Group

	2013	2012
	£	£
Profit/(Loss) for the financial period	26,084	(28,847)
Other recognised gains and losses	388,798	-
Net addition to/(depletion in) shareholders' funds	<u>414,882</u>	<u>(28,847)</u>
Opening shareholders' funds	9,990,496	10,019,343
Closing shareholders' funds	<u>10,405,378</u>	<u>9,990,496</u>

# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

<b>20</b>	<b>Reconciliation of operating profit to net cash (outflow)/inflow from operating activities</b>		<b>2013</b>	<b>2012</b>	
			£	£	
	Operating profit		140,003	31,506	
	Depreciation of tangible fixed assets		184,883	202,190	
	Decrease in stocks		893,273	184,859	
	(Increase)/decrease in debtors		(1,947,070)	952,407	
	Increase in creditors		471,659	375,578	
	Decrease in operating provisions		-	(35,720)	
	<b>Net cash (outflow)/inflow from operating activities</b>		<b>(257,252)</b>	<b>1,710,820</b>	
<b>21</b>	<b>Reconciliation of net cash flow to movement in net debt</b>		<b>2013</b>	<b>2012</b>	
			£	£	
	(Decrease)/increase in cash in the year		(986,313)	1,197,508	
	Repayment of long term bank loan		418,761	439,483	
	<b>Movement in net debt in the year</b>		<b>(567,552)</b>	<b>1,636,991</b>	
	Opening net debt		(4,532,448)	(6,169,439)	
	<b>Closing net debt</b>		<b>(5,100,000)</b>	<b>(4,532,448)</b>	
<b>22</b>	<b>Analysis of net debt</b>	<b>1 May 2012</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>30 April 2013</b>
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,746,121	1,369,479	-	3,115,600
	Bank overdrafts and short term loans	(3,621,747)	(2,355,792)	-	(5,977,539)
			(986,313)		
	Debt				
	Debts falling due within one year	(415,548)	418,761	(425,042)	(421,829)
	Debts falling due after one year	(2,241,274)	-	425,042	(1,816,232)
			418,761		
	<b>Net debt</b>	<b>(4,532,448)</b>	<b>(567,552)</b>	<b>-</b>	<b>(5,100,000)</b>



# INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

### 23 Contingent liabilities

The group companies are party to a group and related party cross guarantee arrangement whereby the bank borrowings of all relevant companies are secured by a charge over the group's present and future assets

At 30 April 2013, the group's maximum potential liability under this arrangement was £3,882,843 (2012 £4,776,453)

At 30 April 2013, the company's maximum potential liability under this arrangement was £3,882,843 (2012 £4,776,453)

### 24 Financial commitments

At 30 April 2013 the group had annual commitments under non-cancellable operating leases as follows

	Other 2013	2012
	£	£
Expiry date		
Between two and five years	16,613	16,613

At 30 April 2013 the company had annual commitments under non-cancellable operating leases as follows

	2013	Other 2012
	£	£
Expiry date		
Between two and five years	13,383	13,383

### 25 Related party transactions

Included within other creditors is an amount of £27,845 (2012 £18,852) owed to Richard Caring

The group bank facilities are subject to a personal guarantee from Richard Caring

During the year, purchases of £nil (2012 £280,251) were made from and miscellaneous charges totalling £62,574 (2012 £61,015) were made to Associated Clothing Company (Hong Kong) Limited, who at the year end owed £16,301 to the group (2012 £39,206 was owed from the group)

During the year interest of £86,034 (2012 £176,957) and miscellaneous charges of £17,700 (2012 £17,700) were charged to, interest of £2,031 (2012 £102,947) charged by and purchases of £nil (2012 £1,920,377) were made from International Garment Sourcing (Holdings) Limited, who owed the group £2,415,757 (2012 £2,868,273) at the year end

During the year, purchases of £1,962,971 (2012 £3,239,254) were made from and commission and miscellaneous charges of £852,330 (2012 £1,060,464) were made to C&S Productions Limited. At the year end £24,493 (2012 £283,591) was owed to this company

During the year, purchases of £5,642,014 (2012 £5,835,848) were made from Tapestry Taiwan Limited. In addition, interest of £69,574 (2012 £69,645) was charged to, and interest and other charges of £297,600 (2012 £306,807) were charged by Tapestry Taiwan Limited. At the year end, £2,204,553 (2012 £1,323,429) was owed from this company

At the year end Jeamland Limited owed the group £3,007,495 (2012 £2,062,495) in respect of payments made on its behalf

All of the above mentioned companies are entities under common control

**INTERNATIONAL CLOTHING DESIGNS (HOLDINGS) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 30 APRIL 2013***

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**26 Controlling parties**

The directors consider Richard Carrig to be the Company's ultimate controlling party