

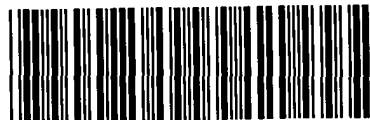
**Alison Hayes (UK) Limited**

**Directors' report and financial  
statements**

Registered number 02241601

31 December 2014

WEDNESDAY



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## Strategic report

The Directors present their strategic report for the year ended 31 December 2014.

### Company performance and business review

We want Alison Hayes to be recognised by our customers as their preferred supplier of affordable women's fashion.

Our Company strategy is achieved by excelling in design, quality and reliability.

**Design:** we embrace the philosophy of the "fast fashion" system that combines: highly fashionable ("trendy") product design with short production and distribution lead time. We achieve the trendy product design by continually monitoring customers and industry tastes.

**Quality:** we are committed to deliver to our customers high product quality that meets their expectations. To achieve this, we maintain a quality management system from development, planning, design and manufacturing to sales and customer service.

**Reliability:** we deliver in accordance with our design specifications and commercial commitments. We aim to comply with all applicable laws and regulations and all of our actions are transparent and in accordance with our binding principles of ethical behaviour.

### Key performance indicators

We measure and compare the success of our company based on a target KPI system that defines indicators for turnover growth, profitability and working capital.

The key financial performance indicators for the last three years are as follows:

Financial highlights	2014	2013	2012
	£	£	£
Gross Sales	47,732,165	37,660,903	39,437,196
Turnover	46,220,516	36,902,370	38,724,661
<b>Gross Profit</b>	<b>5,832,167</b>	<b>4,838,027</b>	<b>4,617,093</b>
Gross Profit margin (% to gross sales)	12.2%	12.8%	11.7%
<b>Profit before tax</b>	<b>759,880</b>	<b>383,294</b>	<b>447,954</b>
<b>Profit for the financial year</b>	<b>618,690</b>	<b>266,970</b>	<b>524,964</b>

**Turnover growth:** Turnover to 31 December 2014 of £47 million shows an increase of 26% over the previous year. This was due to a consistent growth across our client base.

The growth for fast fashion products was strong due to our ability to serve short lead time orders well, combined with flexibility on deliveries. The commodity products were well served from our Far East production facilities.

**Gross profit margin:** The overall product margin has decreased by 0.6% due to continuous selling price pressure and product mix.

**Profit before tax:** Profit before tax has improved significantly compared with the previous year. The company recognised a provision for bonuses of £0.18m and this has been reflected in overhead costs.

**Working Capital:** net current assets have increased mainly due to the extension of the trade terms in line with the industry trends.

## Strategic report *(continued)*

### **Principle risks and uncertainties:**

Below are the principle risks and uncertainties that could affect the business performance and our mitigating activities:

#### ***Economic conditions:***

UK economic conditions have improved in 2014 despite continued volatility in the European environment.

We project the growth to continue in 2015 but we foresee pressure on retail prices in connection with the general fall in the UK Consumer Price Index.

Mitigating activities:

- Increased competitiveness on products to ensure good value for money
- Development of new clients to diversify the client portfolio

#### ***Consumer preferences:***

The UK market is set to grow in importance for fast fashion and short orders. Requests for fast lead time orders could be difficult to achieve due to higher manufacturing costs.

Mitigating activities:

- Through its subsidiary, Alison Hayes UK has a strong manufacturing base in Romania that serves profitable fast lead time orders.
- As a group, we will continue to invest in modern production facilities and upgrade people skills in order to ensure efficient manufacturing.

#### ***Operational Cost:***

Our costs are subject to fluctuations, particularly due to changes in commodity prices, raw materials, labour costs, exchange and interest rates.

Mitigating activities:

- Our success is dependent, in part, on our continued ability to manage these fluctuations through pricing actions, cost savings projects, sourcing decisions and certain hedging transactions.
- We also must manage our currency exposure in Romania and the Far East.
- We need to maintain key manufacturing and supply arrangements and successfully manage our Company production site.
- We must implement and sustain cost improvement plans that will help to reduce general overheads and increase competitiveness through cost leadership.

#### ***Ability to achieve business plans:***

We manufacture consumer products and rely on continued demand for our design ideas and products. To achieve our business targets we need to design, develop and sell products that appeal to the retail consumer.

Mitigating activities:

We are continuously investing in design and new product development as well as in new technologies to provide to our customers competitive, leading products. To address the challenges of a competitive market we must respond to competitive factors such as fashion trends, pricing, lead time and quality.

**Strategic report** *(continued)*

***Reputation risk:***

The risk of loss of reputation arising from the negative publicity relating to the Company's operations (whether true or false) could result in a reduction of its clientele, reduction in turnover and legal cases against the Company. The Company applies ethical procedures to minimise this risk.

By order of the board



**Julie Thompson**  
*Director*

361B-363B Liverpool Road  
London  
N1 1NL

23 March 2015

## **Directors' report**

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

### **Principal activity:**

The principle activity of the company continued to be that of designers, manufacturers and wholesalers of high quality garments for women

### **Business review:**

The comprehensive business analysis has been provided in the Strategic Report. The Directors estimate the company to continue growing in the next year and recognise the overall performance as favourable considering the current economic environment.

### **Market value of land and buildings:**

In the opinion of the Directors, the land and buildings are reflected in the accounts at fair market value. The company's main asset at Liverpool Road, London N1 1NL was revalued in December 2013 by an independent valuer Christo & Co (Reg. no. 02813084) at £1.85m. This amount has been included in the financial statements.

### **Future developments:**

The directors aim to maintain the management policies which have resulted in the company's substantial growth in recent years.

### **Results and dividends:**

The results are set out on page 9.

The directors do not recommend payment of dividends (2013: £ Nil).

### **Arrangement to promote training and equal opportunities**

Alison Hayes is committed to create a diverse environment and it is proud to be an equal opportunity employer. All the employees have received equal consideration for recruitment, development and promotion with regard to race, colour, religion, gender, disability, sexual orientation, national origin or age.

The Company has the following arrangements for training staff:

**Introduction training:** all the employees receive an invitation to attend an induction workshop on their entrance to the business.

**External consultant led- training:** Extensive needs are reviewed during the appraisal process and the Company has a training scheme for the business departments, teams and individuals.

**Directors**

The directors who held office as at 31 December 2014 and approved the financial statements were as follows:

Mr Evelthon Vassiliou  
Mr Robert Chamberlain  
Mr George Vassiliou  
Ms Julie Thompson  
Mr Nicholas Georghiades  
Ms L Tvrtkovic Sahin

**Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**Julie Thompson**  
*Director*

361B-363B Liverpool Road  
London  
N1 1NL  
23 March 2015

## **Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgements and 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 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 and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.





15 Canada Square  
London  
E14 5GL

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALISON HAYES (UK) LIMITED**

We have audited the financial statements of Alison Hayes (UK) Limited for the year ended 31 December 2014 set out on pages 9 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ALISON HAYES (UK) LIMITED** *(continued)*

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and 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, 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.

**Nicole Martin (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square, London, E14 5GL

26 March 2015

**Profit and Loss Account**  
*for the year ended 31 December 2014*

	<i>Note</i>	<b>2014</b> £	2013 £
Gross sales		47,732,165	37,660,903
Discounts		(1,511,649)	(758,533)
<b>Turnover</b>	2	<u>46,220,516</u>	<u>36,902,370</u>
Cost of sales		(40,388,349)	(32,064,343)
<b>Gross profit</b>		<u>5,832,167</u>	<u>4,838,027</u>
Administrative expenses- Design costs		(1,913,298)	(1,734,200)
Administrative expenses- Selling and other		(3,054,246)	(2,544,154)
Other operating income		3,490	8,988
<b>Operating profit</b>	3	<u>868,113</u>	<u>568,661</u>
Other interest receivable and similar income	6	79	12
Interest payable and similar charges	7	(180,904)	(154,524)
Foreign exchange gain / (loss)		72,592	(30,855)
<b>Profit on ordinary activities before taxation</b>		<u>759,880</u>	<u>383,294</u>
Tax on profit on ordinary activities	8	(198,544)	(116,324)
<b>Profit for the financial year</b>	20	<u><u>561,336</u></u>	<u><u>266,970</u></u>

All the company's activities relate to continuing operations.  
The notes on pages 13 to 23 form part of these financial statements.

**Statement of Total Recognised Gains and Losses**  
*for the year ended 31 December 2014*

	<i>Note</i>	<b>2014</b> £	2013 £
Profit attributable to shareholders	21	<b>561,336</b>	266,970
Gain on revaluation of property		-	419,791
<b>Total recognised gains relating to the year</b>		<b>561,336</b>	<b>686,761</b>

**Balance Sheet**  
*at 31 December 2014*

	<i>Note</i>	<b>2014</b>		<b>2013</b>	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	<i>9</i>		2,235,773		2,014,638
Investments	<i>10</i>		2,665,504		2,665,504
			<hr/>		<hr/>
			4,901,277		4,680,142
<b>Current assets</b>					
Stocks	<i>11</i>		490,523		726,570
Gross debtors	<i>12</i>	8,354,936		5,623,394	
Less: Non-returnable proceeds	<i>13</i>	(4,928,311)		(2,642,296)	
			<hr/>		<hr/>
Debtors			3,426,625		2,981,098
Investments	<i>14</i>		2,290		2,290
Cash at bank and in hand			246,157		213,368
			<hr/>		<hr/>
			4,165,595		3,923,326
<b>Creditors: amounts falling due within one year</b>	<i>15</i>		(2,487,139)		(2,474,500)
			<hr/>		<hr/>
<b>Net current assets</b>			1,678,456		1,448,826
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			6,579,733		6,128,968
<b>Creditors: amounts falling due after more than one year</b>	<i>16</i>		(462,707)		(587,967)
<b>Provisions for liabilities</b>	<i>12</i>		(14,689)		-
			<hr/>		<hr/>
<b>Net Assets</b>			6,102,337		5,541,001
			<hr/> <hr/>		<hr/> <hr/>
<b>Capital and reserves</b>					
Called up share capital	<i>19</i>		1,000,000		1,000,000
Revaluation reserve	<i>21</i>		1,580,844		1,601,344
Profit and loss account	<i>21</i>		3,521,493		2,939,657
			<hr/>		<hr/>
<b>Shareholders' funds</b>	<i>20</i>		6,102,337		5,541,001
			<hr/> <hr/>		<hr/> <hr/>

The notes on pages 13 to 22 form part of these financial statements.

These financial statements were approved by the board of directors on 23 March 2015 and were signed on its behalf by:



**Julie Thompson**  
*Director*

**Company registered number 02241601**

**Note of Historical Cost Profits and Losses**  
*for the year ended 31 December 2014*

	<b>2014</b>	2013
	<b>£</b>	£
<b>Reported profit on ordinary activities before taxation</b>	<b>759,880</b>	383,294
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	<b>20,500</b>	10,876
<b>Historical cost profit on ordinary activities before taxation</b>	<b>780,380</b>	394,170
<b>Historical cost profit for the year retained after taxation</b>	<b>639,190</b>	277,846

## Notes

(forming part of the financial statements)

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements. As the Company is a wholly owned subsidiary of Synek Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group. The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services in relation to the Company's principal activity, net of VAT and settlement discounts. Discounts offered to customers in compensation of their contribution to the supply chain such as stocking and distributing the goods are reported in the cost of goods sold.

#### 1.4 Tangible fixed assets and depreciation

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

Freehold buildings	50 years straight line
Plant and machinery	25% reducing balance
Fixtures, fittings, tools & equipment	25% reducing balance
Motor vehicles	25% reducing balance

#### 1.5 Investments

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

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

#### 1.7 Pensions

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.8 Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### 1.9 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### 1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company is exempt from the requirement to prepare group accounts by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Synek Limited, a company incorporated in Cyprus, and its results are included in the consolidated accounts of that company.

### 2 Analysis of turnover

The total turnover of the company has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Notes to the profit and loss account

	2014	2013
	£	£
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation and other amounts written off tangible fixed assets	81,452	62,034
Auditor's remuneration	24,000	23,850
Impairment of investments (held as current assets)	-	471
	_____	_____

### 4 Remuneration of directors

	2014	2013
	£	£
Directors' emoluments	471,336	458,289
Company contributions to money purchase pension schemes	31,060	26,475
	_____	_____
	502,396	484,764

Emoluments disclosed above include £288,500, (2013: £273,000) paid to the highest paid director. Company pension contributions of £18,750 (2013: £18,750) were made to a money purchase scheme on their behalf.

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2013: 2).



**Notes (continued)**

**5 Staff numbers and cost**

The average number of persons employed by the Company (including directors) during the year was as follows:

	Number of employees	
	2014	2013
Design Room	51	42
Sales	13	12
Admin	4	4
Production	12	10
Directors	4	4
	84	72
	84	72

The aggregate payroll costs of these persons were as follows:

	2014	2013
	£	£
Wages and salaries	3,296,071	2,764,854
Social security costs	352,371	315,603
Other pension costs	57,162	55,997
	3,705,604	3,136,454
	3,705,604	3,136,454

**6 Other interest receivable and similar income**

	2014	2013
	£	£
Bank interest	79	12
	79	12
	79	12

**7 Interest payable and similar charges**

	2014	2013
	£	£
On bank loans and overdrafts	107,491	85,515
On amounts payable to group companies	13,889	19,478
Bank charges	59,524	49,531
	180,904	154,524
	180,904	154,524

## Notes (continued)

### 8 Taxation

#### *Analysis of charge in period*

	2014	2013
	£	£
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>
<i>Deferred tax (see note 12)</i>		
Origination/reversal of timing differences	(179,299)	(116,324)
Adjustment in respect of prior periods	(19,245)	-
	<hr/>	<hr/>
Total deferred tax charge	(198,544)	(116,324)
	<hr/>	<hr/>
Tax charge on profit on ordinary activities	(198,544)	(116,324)
	<hr/> <hr/>	<hr/> <hr/>

#### *Factors affecting the tax charge for the current period*

The current tax charge for the period is lower (2013: lower) than the standard rate of corporation tax in the UK (21.5%, 2013: 23.25%). The differences are explained below.1

	2014	2013
	£	£
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	759,880	383,294
	<hr/>	<hr/>
Current tax at 21.5% (2013: 23.25%)	163,374	89,115
	<hr/>	<hr/>
<i>Effects of:</i>		
Expenses not deductible for tax purposes	29,310	9,841
Origination/reversal of timing differences	(40,952)	8,684
Utilisation of tax losses	(151,732)	(107,640)
	<hr/>	<hr/>
Total current tax charge (see above)	-	-
	<hr/> <hr/>	<hr/> <hr/>

#### *Factors that may affect future current and total tax charges*

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on rates of 20% and 21% substantively enacted at the balance sheet date.

The Company has trading losses of £213,326 (2013: £919,274) available to utilise against future taxable profits.

**Notes (continued)**

**9 Tangible fixed assets**

	Land and buildings	Plant and machinery	Fixtures, fittings, tools and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At beginning of year	1,850,000	639,667	486,700	61,820	3,038,187
Additions	166,747	61,666	81,730	-	310,143
Disposals	-	-	-	(50,356)	(50,356)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	2,016,747	701,333	568,430	11,464	3,297,974
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Depreciation</b>					
At beginning of year	-	505,440	467,324	50,786	1,023,550
Charge for year	32,239	41,775	5,950	1,488	81,452
Disposals	-	-	-	(42,801)	(42,801)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	32,239	547,215	473,274	9,473	1,062,201
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Net book value</b>					
At 31 December 2014	<b>1,984,508</b>	<b>154,118</b>	<b>95,156</b>	<b>1,991</b>	<b>2,235,773</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2013	1,850,000	134,227	19,377	11,034	2,014,638
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The following information relates to tangible fixed assets carried on the basis of revaluations in accordance with FRS 15 *Tangible fixed assets*.

**Land and buildings**

	2014 £	2013 £
Historical cost of revalued assets	543,892	543,892
Aggregate depreciation thereon	(205,329)	(194,451)
	<hr/>	<hr/>
Historical cost net book value	<b>338,563</b>	349,441
	<hr/> <hr/>	<hr/> <hr/>

The company's main asset at Liverpool Road, London N1 1NL was re-valued on the 14<sup>th</sup> January 2014 by Christo & Co, Chartered Surveyor, at £1.850m. The valuation is reflected in the financial statements. The directors followed independent advice and allocated 30% of the revaluation to land and 70% to buildings.

**Notes** *(continued)*

**10 Fixed asset investments**

	Alison Hayes Romania SRL	Ruby & Ted Clothing Company Ltd	Print Box London Ltd	Total
	£	£	£	£
<i>Cost or valuation</i>				
At beginning & end of year	2,665,313	1	190	2,665,504
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Net book value</i>				
At 31 December 2014 & 31 December 2013	2,665,313	1	190	2,665,504
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The Companies in which the Company's interest at the year end is more than 20% is as follows:

	Country of incorporation	Principal activity	Percentage of Ordinary Shares Held
<i>Subsidiary undertakings</i>			
Alison Hayes (Romania) SRL	Romania	Manufacture of garments	99.96%
Ruby & Ted Clothing Company Limited	UK	Manufacture of garments	100%
Print Box London Limited	UK	Manufacture of garments	95%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and Reserves at 31/12/2014	Profit/(loss) for the year to 31/12/2014
	£	£
Alison Hayes (Romania) SRL	11,961,606	1,136,274
Ruby & Ted Clothing Company Limited	(483,371)	(139,488)
Print Box London Limited	(202,669)	65,408
	<u>          </u>	<u>          </u>

**11 Stocks**

	2014	2013
	£	£
Finished goods and goods for resale	490,523	726,570
	<u>          </u>	<u>          </u>

**Notes (continued)**

**12 Debtors**

	2014	2013
	£	£
Trade debtors	7,183,968	4,309,041
Other debtors	80,554	71,460
Prepayments and accrued income	251,720	168,458
Corporation tax	549	549
Deferred tax asset	-	183,855
Loans granted to subsidiaries	838,145	890,031
	8,354,936	5,623,394
	8,354,936	5,623,394

The elements of deferred taxation are as follows:

	2014	2013
	£	£
Difference between accumulated depreciation and amortisation and capital allowances	(57,354)	(13,109)
Tax Losses	42,665	196,964
	(14,689)	183,855
	(14,689)	183,855

The company has losses carried forward of £213,326 (2013: £919,274) which have been recognised as a deferred tax asset of £42,665 (2013: £ 183,855).

**13 Invoice Discount Facility**

	2014	2013
	£	£
Non-returnable proceeds	4,928,311	2,642,296
	4,928,311	2,642,296

The criteria for linked presentation are met as the entity is not obliged to support any losses, nor does it intend to do so.

The provider of the finance has agreed in writing that it will seek repayment of the finance, as to both principal and interest, only to the extent that sufficient funds are generated by the specific item it has financed and that it will not seek recourse in any other form.

The Company has an invoice discounting arrangement with a maximum credit limit of £6,000,000 but not greater than the debtor ledger at any point in time. The Company is entitled to pre pay up to 85% of the credit limit based on existing receivable and after deducting the following:

- the value of the ineligible debts
- standard retention
- any amounts on Company responsibility

**Notes (continued)**

**14 Investments (held as current assets)**

	2014	2013
	£	£
Listed investments	2,290	2,290
	<u>2,290</u>	<u>2,290</u>

At the date of signing the financial statements the market value of the listed investments was approximately £2,100 (2013: £2,265).

**15 Creditors: amounts falling due within one year**

	2014	2013
	£	£
Trade creditors	310,706	202,719
Amounts owed to parent undertaking	540,091	558,359
Amounts owed to subsidiary undertaking	856,147	1,354,388
Taxation and social security	487,349	220,995
Other creditors	35,433	34,917
Accruals and deferred income	257,413	103,122
	<u>2,487,139</u>	<u>2,474,500</u>

**16 Creditors: amounts falling due after more than one year**

	2014	2013
	£	£
Other loans – amounts owed to parent undertaking	462,707	587,967
	<u>462,707</u>	<u>587,967</u>
<b>Analysis of loans</b>		
Repayable after five years by instalments	317,156	317,156
Wholly repayable within five years	283,551	422,811
	<u>600,707</u>	<u>739,967</u>
Included in current liabilities	(138,000)	(152,000)
	<u>462,707</u>	<u>587,967</u>

**Notes (continued)**

**17 Creditors: amounts falling due after more than one year (continued)**

	2014	2013
	£	£
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	54,551	138,000
In more than two years, but not more than five years	91,000	132,811
In more than five years	317,156	317,156
	462,707	587,967
	462,707	587,967

In 2007 the company borrowed £1,280,000 from the parent company, Synek Limited, to finance the continued growth of the business. Interest is charged at a rate of 2.25% above the 3 month LIBOR rate. At 31 December 2014 the total outstanding balance was £600,707 (2013: £739,967).

**18 Pension costs**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2014	2013
	£	£
Contributions payable by the company for the year	57,162	55,997
	57,162	55,997
	57,162	55,997

**19 Called up share capital**

	2014	2013
	£	£
<i>Authorised</i>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
	1,000,000	1,000,000
<i>Allotted, called up and fully paid</i>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
	1,000,000	1,000,000
	1,000,000	1,000,000

**Notes** *(continued)*

**20 Reconciliation of movement in shareholders' funds**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Profit for the financial year</b>	<b>561,336</b>	266,970
<b>Retained profit for the year</b>	<b>561,336</b>	266,970
Other recognised gains and losses relating to the year	-	419,791
<b>Net increase in shareholders' funds</b>	<b>561,336</b>	686,761
Opening shareholders' funds	<b>5,541,001</b>	4,854,240
<b>Closing shareholders' funds</b>	<b>6,102,337</b>	5,541,001

**21 Statement of movement on reserves**

	<b>Revaluation reserve</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>
Balance at 1 January 2014	1,601,344	2,939,657
Profit for the year	-	561,336
Transfer from revaluation reserve	(20,500)	20,500
<b>Balance at 31 December 2014</b>	<b>1,580,844</b>	<b>3,521,493</b>

**22 Related party disclosures**

*Ultimate parent company and parent undertaking of larger group of which the company is a member*

The Company is a wholly owned subsidiary undertaking of Synek Limited which is the ultimate controlling party and ultimate parent company incorporated in Cyprus.

The only group in which the results of the Company are consolidated is that headed by Synek Limited. The consolidated financial statements of Synek Limited are available to the public and may be obtained from Stavros Avenue 56, Kariadides Trading Centre, Block A2, Flat 105, Strovolos, Nicosia, Cyprus.

*Related party transactions*

During the year the company purchased goods in the ordinary course of business from Alison Hayes (Romania) SRL, a subsidiary undertaking, totalling £36,227,897 (2013: £28,400,291). The company recharged £230,097 (2013: £569,520) of costs incurred to Alison Hayes (Romania) SRL. At the balance sheet date the amount owing to Alison Hayes (Romania) Srl was £1,301,723 (2013: £1,209,539 ) in addition to the loan as disclosed in Note 18.

During the year the company purchased goods in the ordinary course of business from Print Box London Limited, a subsidiary undertaking, totalling £388,902 (2013: 420,629). The company recharged £126,193 (2013: £134,094) of costs incurred to Print Box London Limited. At the balance sheet date the amount owing from Print Box London Limited was £72,647 (2013: owing to £266,621) in addition to the loan receivable of £362,151 (2013: £513,848).



**Notes** *(continued)*

**23 Related party disclosures (continued)**

During the year the company purchased goods in the ordinary course of business from Ruby & Ted Clothing Company Limited, a subsidiary undertaking, totalling £192,349 (2013:£ 326,160). The company recharged £121,046 (2013: £57,776) of costs incurred to Ruby & Ted Clothing Company Limited. At the balance sheet date the amount owing from Ruby & Ted Clothing Company Limited was £102,928 (2013: owing to £306,205) in addition to the loan receivable of £475,993 (2013: £376,183).