

COMPANY NUMBER 1683824 (ENGLAND AND WALES)

A&D HOPE (SCS) LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 29TH FEBRUARY 2008

TUESDAY



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A&D HOPE (SCS) LIMITED

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A&D HOPE (SCS) LIMITED

DIRECTORS REPORT

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

The directors present their report and financial statements for the eighteen months ended 29th February 2008. During the period the company changed its Accounting Reference Date from 31st August to 28th February. The comparative figures are in respect of the year ended 31st August 2006.

Principal activities and review of the business

The principal activity of the company is the sale of garments.

The company generated an operating profit for the period of £670,032 (2006 £484,229) and, after interest payable and similar charges, the company generated a profit on ordinary activities before taxation of £371,175 (2006 £223,839)

These results, on annualised turnover similar to the previous year's level, reflect a continued improvement in the company's gross profit from trading. Considerable efforts have been made to streamline the business, to improve sourcing and manufacturing costings, and continue the appraisal of the customer base of the company to improve margins where possible

As part of the directors' continuing efforts to improve profit margins and to identify opportunities for adding value to the group's business, they have in recent months implemented a revised strategy within the subsidiary, A&D Hope (Retail) Limited, through which certain pre-determined merchandise ranges are now being sold into the wider market place. This refinement in strategy has led to an improved focus on margins in these ranges and, subsequent to the year end, has enabled the subsidiary to generate increased levels of turnover and profitability.

At the period end date, shareholders' funds amounted to £574,021 (2006 - £503,592), details of which are summarised in the balance sheet on page 6.

The principal assets owned by the company and employed in the business are its tangible fixed assets and its working capital, mainly comprising stocks, trade receivables and cash balances, net of short term borrowings and trade payables.

Full details supporting the company's balance sheet are set out in the notes to the financial statements.

The company's principal financial and other instruments comprise trade debtors, trade creditors, and secured and unsecured short term borrowings, including factoring facilities. The company is not ordinarily engaged in any material derivative transactions, but it does manage its foreign exchange exposure across a number of products on a conservative basis, transferring any potential currency risk into sterling at the earliest possible opportunity.

A&D HOPE (SCS) LIMITED

DIRECTORS REPORT

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

Results and dividends

The results for the period are set out on page 5. An ordinary dividend of £234,000 was paid.

Directors

The following directors have held office since 1st September 2006

J. A. Hope

S. C. Hope

N. P. Benson (resigned 4th April 2008)

Charitable Donations

During the period the company made charitable donations amounting to £21,009 (2006 - £8,375)

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those 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
- 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 proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A&D HOPE (SCS) LIMITED

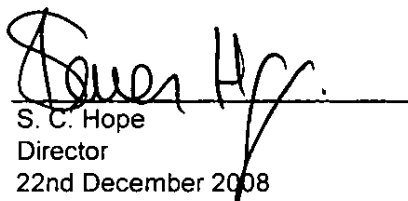
DIRECTORS REPORT

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

Statement of disclosure to auditors

So far as the directors are aware there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board


S. C. Hope
Director
22nd December 2008

A&D HOPE (SCS) LIMITED

INDEPENDENT AUDITORS' REPORT TO A&D HOPE (SCS) LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 5 to 16, together with the financial statements of A&D Hope (SCS) Limited for the period ended 29th February 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of the directors and auditors

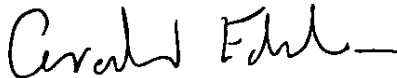
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditors report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin, we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Gerald Edelman

22 December 2008

Chartered Accountants
Registered Auditor

25 Harley Street
London
W1G 9BR

A&D HOPE (SCS) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

		Period ended 29th February 2008 £	Year ended 31st August 2006 £
	Notes		
Gross profit		4,829,782	3,334,132
Distribution costs		(2,039,826)	(1,258,448)
Administrative costs		(2,119,924)	(1,591,455)
Operating profit	2	<u>670,032</u>	<u>484,229</u>
Other interest receivable and similar income	3	103,230	210,553
Interest payable and similar charges	4	(402,087)	(470,943)
Profit on ordinary activities before taxation		<u>371,175</u>	<u>223,839</u>
Tax on profit on ordinary activities	5	(66,746)	(75,585)
Profit for the year	14	<u><u>304,429</u></u>	<u><u>148,254</u></u>

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.

A&D HOPE (SCS) LIMITED

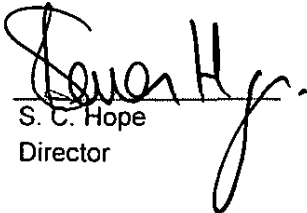
ABBREVIATED BALANCE SHEET

AS AT 29TH FEBRUARY 2008

	Notes	28th February 2008		31st August 2006	
		£	£	£	£
Fixed Assets					
Tangible assets	7		120,764		204,004
Investments	8		1,000		1,000
			121,764		205,004
Current Assets					
Stocks	9	832,297		945,099	
Debtors	10	3,122,002		3,026,664	
Cash at bank and in hand		8,263		353,775	
		3,962,561		4,325,538	
Creditors: amounts falling due within one year	11	(3,510,304)		(4,026,950)	
Net current assets			452,257		298,588
Total assets less current liabilities			574,021		503,592
Capital and reserves					
Called up share capital	13		1,000		1,000
Profit and loss account	14		573,021		502,592
Shareholders' funds	15		574,021		503,592

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

Approved by the Board and authorised for issue on 22nd December 2008


 S. C. Hope
 Director

A&D HOPE (SCS) LIMITED**CASH FLOW STATEMENT****FOR THE PERIOD ENDED 29TH FEBRUARY 2008**

	Period ended 29th February 2008		Year ended 31st August 2006	
	£	£	£	£
Net cash inflow from operating activities		156,407		346,699
Returns on investments and servicing of finance				
Interest received	103,230		210,553	
Interest paid	(402,087)		(470,943)	
Net cash outflow for returns on investments and servicing of finance		(298,857)		(260,390)
Taxation		-		(57,760)
Capital expenditure				
Payments to acquire tangible fixed assets	(13,669)		(25,407)	
Receipts from sales of tangible assets	9,921		11,530	
Net cash outflow for capital expenditure		(3,748)		(13,877)
Equity dividends paid		(234,000)		-
Net cash (outflow) / inflow before management of liquid resources and financing		(380,198)		14,672
Financing				
Capital element of hire purchase contracts		-	(14,589)	
Net cash outflow from financing		-		(14,589)
(Decrease)/increase in cash in period		<u>(380,198)</u>		<u>83</u>

A&S HOPE (SCS) LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

		Period ended 29th February 2008 £	Year ended 31st August 2006 £
1. Reconciliation of operating profit to net cash flow from operating activities			
Operating profit		670,032	484,229
Depreciation of tangible fixed assets		75,252	68,373
Loss on disposal of fixed assets		11,736	10,346
Decrease / (Increase) in stocks		112,802	(303,000)
(Increase)/decrease in debtors		(95,338)	299,966
Decrease in creditors		(618,078)	(213,215)
Net cash inflow from operating activities		<u>156,406</u>	<u>346,699</u>
2. Analysis of net funds	1st Sept 2006 £	Cash Flow £	29th Feb 2008 £
Net cash:			
Cash at bank and in hand	353,775	(345,512)	8,263
Bank overdrafts	(71,149)	(34,686)	(105,835)
	<u>282,626</u>	<u>(380,198)</u>	<u>(97,572)</u>
3. Reconciliation of net cash flow to movement in net funds		Period ended 29th February 2008 £	Year ended 31st August 2006 £
(Decrease)/increase in cash in the period		(380,198)	83
Cash outflow from decrease in debt		-	14,589
Movement in net funds in the period		(380,198)	14,672
Opening net funds		282,626	267,954
Closing net (debt) / funds		<u>(97,572)</u>	<u>282,626</u>

A&D HOPE (SCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (UKGAAP) which have been applied consistently.

1.3 Turnover

Turnover represents amounts receivable for goods and services, net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

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

Plant and machinery	15% straight line basis
Fixtures fittings and equipment	25% reducing balance
Motor vehicles	15% straight line basis

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

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

1.7 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. In the case of manufactured products, cost includes all direct expenditure and production overheads based on a normal level of activity.

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to profit and loss account in the period that they are payable.

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Recognition of deferred tax assets is limited to the extent that the company anticipates sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. The deferred tax balance has not been discounted.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the date of transaction. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to profit and loss account.

A&D HOPE (SCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium size group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2. Operating profit

Operating profit is stated after charging:

	Period ended 29th February 2008 £	Year ended 31st August 2006 £
Depreciation of tangible assets	75,252	68,373
Loss on disposal of assets	11,736	10,346
Operating lease rentals	81,310	80,000
Auditors remuneration - statutory audit	48,108	29,766
- tax compliance	1,500	1,500
And after crediting:		
Profit on foreign exchange transactions	<u>(303,736)</u>	<u>(124,769)</u>

3. Investment income

	Period ended 29th February 2008 £	Year ended 31st August 2006 £
Bank interest	87,391	210,553
Other interest	15,839	-
	<u>103,230</u>	<u>210,553</u>

4. Interest payable

	Period ended 29th February 2008 £	Year ended 31st August 2006 £
On bank loans and overdrafts	396,749	460,846
Hire purchase interest	-	1,239
Interest on overdue tax	59	2,508
Other interest	5,279	6,350
	<u>402,087</u>	<u>470,943</u>

A&D HOPE (SCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

	Period ended 29th February 2008 £	Year ended 31st August 2006 £
5. Taxation		
Domestic current year tax		
UK Corporation tax	82,658	67,180
Adjustment for prior years	(15,912)	8,405
Current tax charge	<u>66,746</u>	<u>75,585</u>
Factors affecting tax charge for period		
Profit on ordinary activities before taxation	<u>371,176</u>	<u>223,839</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2006 - 30%)	111,353	67,152
Effects of:		
Non deductible expenses	12,049	15,825
Depreciation / loss on sale of assets add back	26,096	20,512
Capital allowances	(23,906)	(19,474)
Group relief	(22,686)	(8,700)
Adjustments to previous periods	(15,912)	8,405
Other tax adjustments	(20,248)	(8,135)
Current tax charge	<u>66,746</u>	<u>75,585</u>
	Period ended 29th February 2008 £	Year ended 31st August 2006 £
6. Dividends		
Ordinary paid	<u>234,000</u>	<u>-</u>

A&D HOPE (SCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

7. Tangible fixed assets	Plant and machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost				
At 1st September 2006	103,190	565,595	263,982	932,767
Additions	-	-	13,669	13,669
Disposals	-	-	(118,994)	(118,994)
At 29th February 2008	<u>103,190</u>	<u>565,595</u>	<u>158,657</u>	<u>827,442</u>
Depreciation				
At 1st September 2006	101,913	452,696	174,154	728,763
Charge for period	1,276	38,810	35,166	75,252
Disposals	-	-	(97,337)	(97,337)
At 29th February 2008	<u>103,189</u>	<u>491,506</u>	<u>111,983</u>	<u>706,678</u>
Net book value				
At 29th February 2008	<u>-</u>	<u>74,089</u>	<u>46,674</u>	<u>120,764</u>
At 31st August 2006	<u>1,277</u>	<u>112,899</u>	<u>89,828</u>	<u>204,004</u>

8. Fixed asset investment

Cost	Shares in subsidiary £
Balance at 1st September 2006 and 29th February 2008	<u>1,000</u>

Holdings of more than 20%

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

	Country of incorporation	Shares held	
		Class	%
A&D Hope (Retail) Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves of these undertakings for the relevant financial period were:

	Principal Activity	Capital and Reserves 2008 £	Loss for period 2008 £
A&D Hope (Retail) Limited	Retailer of garments	<u>(198,107)</u>	<u>(76,459)</u>

A&D HOPE (SCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

9. Stocks	29th February 2008 £	31st August 2006 £
Finished goods and goods for resale	<u>832,297</u>	<u>945,099</u>

10. Debtors	29th February 2008 £	31st August 2006 £
Trade debtors	2,306,323	2,277,894
Amounts owed by group undertakings	205,301	131,737
Other debtors	583,505	516,952
Prepayments and accrued income	26,873	100,081
	<u>3,122,002</u>	<u>3,026,664</u>

Trade debtors include factored debts totalling £2,588,634 gross of provisions

11. Creditors : amounts falling due within one year	29th February 2008 £	31st August 2006 £
Bank loans and overdrafts	105,835	71,149
Trade creditors	1,131,341	2,257,290
Corporation tax	142,666	75,920
Other taxes and social security costs	51,141	97,924
Other creditors	1,902,979	1,121,578
Accruals and deferred income	176,342	403,089
	<u>3,510,304</u>	<u>4,026,950</u>

Other creditors include an amount of £1,660,529 (31st August 2006 - £1,114,354) which is secured by a debenture over the companys book debts.

A&D HOPE (SCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

12. Pension Costs

The company operates a defined contribution pension scheme. The assets of the schemes 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.

	Period ended 29th February 2008	Year ended 31st August 2006
	£	£
Contributions payable by the company in period	<u>28,850</u>	<u>17,701</u>

13. Share capital

	29th February 2008	31st August 2006
	£	£
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

14. Statement of movements on profit and loss account

	£
Balance at 1st September 2006	502,592
Profit for the period	304,429
Dividends paid	(234,000)
Balance at 29th February 2008	<u><u>573,021</u></u>

15. Reconciliation of movements in shareholders' funds

	29th February 2008	31st August 2006
	£	£
Profit for the period	304,429	148,254
Dividends	(234,000)	-
Net addition to shareholders funds	<u>70,429</u>	<u>148,254</u>
Opening shareholders funds	503,592	355,338
Closing shareholders funds	<u><u>574,021</u></u>	<u><u>503,592</u></u>

A&D HOPE (SCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

16. Financial commitments

At 29th February 2008 the company had annual commitments under non-cancellable operating leases as follows:

Land and buildings

	29th February 2008	31st August 2006
	£	£
Expiry date: In over 5 years	<u>80,000</u>	<u>80,000</u>

17. Directors emoluments

	Period ended 29th February 2008	Year ended 31st August 2006
	£	£
Emoluments for qualifying services	<u>641,125</u>	<u>204,000</u>

Emoluments disclosed above include the following :

	£	£
Emoluments paid to the highest paid director	<u>403,000</u>	<u>104,375</u>

18. Employees

Number of employees

The average numbers of employees (including directors) during the year was:

	Period ended 29th February 2008	Year ended 31st August 2006
	Number	Number
Production	10	11
Selling and distribution	26	28
Administration	10	10
	<u>46</u>	<u>49</u>

Employment costs

	£	£
Wages and salaries	2,378,489	1,416,849
Social security costs	289,828	192,690
Other pension costs	28,850	17,701
	<u>2,697,167</u>	<u>1,627,240</u>

A&D HOPE (SCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 29TH FEBRUARY 2008

19. Related Party Transactions			Period ended		Year ended	
			29th February 2008		31st August 2006	
Party	Relationship	Transaction	Value	Balance due to/from at p/e	Value	Balance due to/from at p/e
Evergreen Clothing Limited	M.A Hope, former director of A&D Hope (SCS) Ltd and shareholder of Evergreen Clothing Limited	Loan account movement	100,428	188,854	107,376	88,426
Evergreen Clothing Limited	M.A Hope, former director of A&D Hope (SCS) Ltd and shareholder of Evergreen Clothing Limited	Management Fees Receivable	112,500	-	25,000	-
Freemoney Limited	S Hope and J Hope are directors of Freemoney Limited and A&D Hope (SCS) Ltd	Loan account written off	-	-	12,400	-
A&D Hope (Retail) Limited	Subsidiary undertaking	Supply of goods and loan account	73,564	205,301	16,063	131,737
Mr& Mrs M. A. Hope	Shareholders	Loan account	-	-	8,000	3,955
M. Hope Settlement	Shareholder	Loan account	-	-	118,791	118,791
S C Hope	Director	Loan account	(285,227)	(230,414)	91,668	54,813
J A Hope	Director	Loan account	209,899	247,293	108,320	37,394
S C Hope	Director	Interest Receivable	5,418	5,418	-	-
J A Hope	Director	Interest Receivable	10,421	10,421	-	-
A&D Hope (SCS) Limited Executive Pension Scheme	The directors are trustees and beneficiaries of the scheme	Loan account	-	8,858	500	8,858

There are no specific terms as to interest or repayment in respect of the balances referred to above, except for interest payable by directors on overdrawn loan accounts. The directors loan account to J A Hope was repaid in full subsequent to the year end. Throughout the year the company was controlled by the Hope family.