

CHARTERED ACCOUNTANTS

Global House  
303 Ballards Lane  
London N12 8NP

T : +44 (0)20 8492 9440

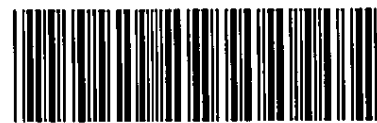
F : +44 (0)20 8492 9441

E : info@kpittalis.co.uk

**ALISON HAYES (UK) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

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**ALISON HAYES (UK) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

# ALISON HAYES (UK) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr Evelthon Georgiades Mr Robert Chamberlain Mr George Vassiliou Ms Julie Thompson Mr Nicholas Georgiades Mr Evelthon Vassiliou
<b>Secretary</b>	Mr Shailen Thakrar
<b>Company number</b>	2241601
<b>Registered office</b>	First Floor Global House 303 Ballards Lane London N12 8NP
<b>Auditors</b>	K J Pittalis & Co Chartered Accountants Global House 303 Ballards Lane London N12 8NP
<b>Business address</b>	361B-363B Liverpool Road London Great Britain N1 1NL
<b>Bankers</b>	Bank of Cyprus (London) Limited 27-31 Charlotte Street London Great Britain W1T 1RP
<b>Solicitors</b>	Pittalis & Co Solicitors Global House 303 Ballards Lane London Great Britain N12 8NP

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# ALISON HAYES (UK) LIMITED

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# ALISON HAYES (UK) LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2008

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The directors present their report and financial statements for the year ended 31 December 2008.

#### Principal activities and review of the business

The principal activity of the company continued to be that of designers, manufacturers and wholesalers of wearable, high quality ladies garments.

The company is a wholly owned subsidiary of Synek Limited, a company incorporated in Cyprus. The company has a wholly owned subsidiary, Alison Hayes (Romania) SRL which deals with the production, warehousing and distribution in Romania.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect growth in the future.

The current year shows a 12.06% reduction in turnover mainly due to the current economic climate. Sales and margins in 2009 are expected to stabilise and the company is in a good position to benefit from any upturn in the economic climate.

The directors' financial risk management objective is to maximise financial assets and minimise financial liabilities whilst not engaging in speculation. The financial risks faced by the company include interest earned on cash and short term investments, liquidity of investments and foreign currency fluctuations. The company's liquid resources are invested having regard to the timing of payments to be made in the ordinary course of the activities. The company operates in a global market not just in sterling and Euros in which the bulk of the operating costs are incurred. The company does not hedge potential future income, since the existence, quantum and timing of such income cannot be accurately predicted. The board considers that the company's exposure to changing market prices on the values of financial instruments does not have a significant impact on the financial assets and liabilities.

Trade debtors are managed by credit and cash flow risk policies concerning the amount of credit offered to customers and the regular monitoring of amounts outstanding, both for time and credit limits.

Trade creditors liquidity risk is managed by ensuring that sufficient funds are available to meet amounts due.

The key financial performance indicators of turnover, gross profit and net profit after taxation communicate the financial performance of the company as a whole.

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

	2008 £	2007 £	2006 £
Turnover	37,231,077	42,336,47	37,411,430
Gross profit	9,256,042	15,970,805	13,048,179
Net Profit after taxation	216,637	530,949	170,586

#### Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

# ALISON HAYES (UK) LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

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### Market value of land and buildings

In the opinion of the directors the market value of land and buildings exceeds the current net book value.

The company's main asset at Liverpool Road, London N1 1NL was revalued in January 2008 by Asset Valuation Worldwide Chartered Surveyors, at £1.22m. 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. They consider that the next year will show a further growth in sales.

The directors are looking into ways of diversifying their sourcing of raw materials.

### Directors

The following directors have held office since 1 January 2008:

Mr Evelthon Georgiades  
Mr Robert Chamberlain  
Mr George Vassiliou  
Ms Julie Thompson  
Mr Nicholas Georgiades  
Mr Evelthon Vassiliou

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	ordinary shares of £1 each	
	31 December 2008	1 January 2008
Mr Evelthon Georgiades	-	-
Mr Robert Chamberlain	-	-
Mr George Vassiliou	-	-
Ms Julie Thompson	-	-
Mr Nicholas Georgiades	-	-
Mr Evelthon Vassiliou	-	-

### Auditors

K J Pittalis & Co 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.

# ALISON HAYES (UK) LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

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### 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 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). 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;
- state whether applicable 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 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.

### Statement of disclosure to auditor

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

On behalf of the board



Mr Evelthon Vassiliou

Director

25 June 2009

# ALISON HAYES (UK) LIMITED

## INDEPENDENT AUDITORS' REPORT

### TO THE SHAREHOLDERS OF ALISON HAYES (UK) LIMITED

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We have audited the financial statements of ALISON HAYES (UK) LIMITED for the year ended 31 December 2008 set out on pages 6 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 the directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



# ALISON HAYES (UK) LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF ALISON HAYES (UK) LIMITED

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### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

**K J Pittalis & Co**

**Chartered Accountants  
Registered Auditor**



25 June 2009

First Floor  
Global House  
303 Ballards Lane  
London  
N12 8NP

# ALISON HAYES (UK) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
Turnover	2	37,231,077	42,336,470
Cost of sales		(27,975,035)	(31,603,796)
<b>Gross profit</b>		<b>9,256,042</b>	<b>10,732,674</b>
Distribution costs		(7,053,672)	(7,645,467)
Administrative expenses		(2,009,145)	(2,131,486)
Other operating income		318,192	14,400
<b>Operating profit</b>	3	<b>511,417</b>	<b>970,121</b>
Other interest receivable and similar income	4	14,330	20,152
Interest payable and similar charges	5	(202,688)	(201,941)
<b>Profit on ordinary activities before taxation</b>		<b>323,059</b>	<b>788,332</b>
Tax on profit on ordinary activities	6	(106,422)	(257,383)
<b>Profit on ordinary activities after taxation</b>	16	<b>216,637</b>	<b>530,949</b>

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

# ALISON HAYES (UK) LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2008

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	2008	2007
Notes	£	£
<b>Profit for the financial year</b>	<b>216,637</b>	<b>530,949</b>
Unrealised (deficit)/surplus on revaluation of properties	-	154,266
<b>Total recognised gains and losses relating to the year</b>	<b><u>216,637</u></b>	<b><u>685,215</u></b>

### Note of historical cost profits and losses

	2008	2007
	£	£
<b>Reported profit on ordinary activities before taxation</b>	<b>323,059</b>	<b>788,332</b>
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	4,957	4,957
<b>Historical cost profit on ordinary activities before taxation</b>	<b><u>328,016</u></b>	<b><u>793,289</u></b>
<b>Historical cost profit for the year retained after taxation, extraordinary items and dividends</b>	<b><u>221,594</u></b>	<b><u>535,906</u></b>

# ALISON HAYES (UK) LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	2008		2007	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7	1,741,266		1,791,450	
Investments	8	2,665,210		2,665,210	
		<u>4,406,476</u>		<u>4,456,660</u>	
<b>Current assets</b>					
Stocks	9	211,516		177,915	
Debtors	10	7,256,291		6,383,625	
Investments	11	50,000		50,000	
Cash at bank and in hand		448,641		861,775	
		<u>7,966,448</u>		<u>7,473,315</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(3,526,362)</u>		<u>(3,400,349)</u>	
<b>Net current assets</b>		<u>4,440,086</u>		<u>4,072,966</u>	
<b>Total assets less current liabilities</b>		<u>8,846,562</u>		<u>8,529,626</u>	
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(1,360,379)</u>		<u>(1,260,080)</u>	
		<u>7,486,183</u>		<u>7,269,546</u>	
<b>Capital and reserves</b>					
Called up share capital	15	1,000,000		1,000,000	
Revaluation reserve	16	1,010,374		1,010,374	
Profit and loss account	16	5,475,809		5,259,172	
<b>Shareholders' funds</b>	17	<u>7,486,183</u>		<u>7,269,546</u>	

Approved by the Board and authorised for issue on 25 June 2009

Mr Robert Chamberlain  
Director

Mr Evelthon Vassiliou  
Director

# ALISON HAYES (UK) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	£	2008 £	£	2007 £
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(886,613)</b>		<b>1,538,907</b>
<b>Returns on investments and servicing of finance</b>				
Interest received	14,330		20,152	
Interest paid	(202,688)		(201,941)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		<b>(188,358)</b>		<b>(181,789)</b>
<b>Taxation</b>		<b>(75,000)</b>		<b>(230,000)</b>
<b>Capital expenditure and financial investment</b>				
Payments to acquire tangible assets	(27,365)		(68,884)	
Payments to acquire investments	-		(235)	
Receipts from sales of tangible assets	3,000		15,050	
<b>Net cash outflow for capital expenditure</b>		<b>(24,365)</b>		<b>(54,069)</b>
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>		<b>(1,174,336)</b>		<b>1,073,049</b>
<b>Financing</b>				
Other new long term loans	280,000		1,000,000	
Repayment of other long term loans	(79,701)		(57,076)	
<b>Net cash inflow from financing</b>		<b>200,299</b>		<b>942,924</b>
<b>(Decrease)/increase in cash in the year</b>		<b>(974,037)</b>		<b>2,015,973</b>

# ALISON HAYES (UK) LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

<b>1</b>	<b>Reconciliation of operating profit to net cash (outflow)/inflow from operating activities</b>		<b>2008</b>		<b>2007</b>
			£		£
	Operating profit		511,417		970,121
	Depreciation of tangible assets		73,716		75,908
	Loss/(profit) on disposal of tangible assets		833		(692)
	(Increase)/decrease in stocks		(33,601)		1,407,758
	(Increase)/decrease in debtors		(872,666)		1,742,556
	Decrease in creditors within one year		(566,312)		(2,656,744)
	<b>Net cash (outflow)/inflow from operating activities</b>		<b>(886,613)</b>		<b>1,538,907</b>
<b>2</b>	<b>Analysis of net debt</b>	<b>1 January 2008</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2008</b>
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	861,775	(413,134)	-	448,641
	Bank overdrafts	(1,416,310)	(560,903)	-	(1,977,213)
		<u>(554,535)</u>	<u>(974,037)</u>	<u>-</u>	<u>(1,528,572)</u>
	Liquid resources:				
	Current asset investments	50,000	-	-	50,000
	Bank deposits	-	-	-	-
	Debt:				
	Debts falling due within one year	-	(100,000)	-	(100,000)
	Debts falling due after one year	(1,260,080)	(100,299)	-	(1,360,379)
		<u>(1,260,080)</u>	<u>(200,299)</u>	<u>-</u>	<u>(1,460,379)</u>
	<b>Net debt</b>	<b>(1,764,615)</b>	<b>(1,174,336)</b>	<b>-</b>	<b>(2,938,951)</b>
<b>3</b>	<b>Reconciliation of net cash flow to movement in net debt</b>			<b>2008</b>	<b>2007</b>
				£	£
	(Decrease)/increase in cash in the year			(974,037)	2,015,973
	Cash inflow from increase in debt			(200,299)	(942,924)
	<b>Movement in net debt in the year</b>			<b>(1,174,336)</b>	<b>1,073,049</b>
	Opening net debt			(1,764,615)	(2,837,664)
	<b>Closing net debt</b>			<b>(2,938,951)</b>	<b>(1,764,615)</b>

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

### 1 Accounting policies

#### 1.1 Accounting convention

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

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom 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 net of VAT and trade discounts.

#### 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:

Land and buildings Freehold	fifty years
Plant and machinery	25% Reducing balance
Fixtures, fittings & 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 and work in progress

Stock and work in progress are 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 scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

The assets of the scheme are held separately from those of the company in an independently administered fund.

#### 1.8 Deferred taxation

Deferred tax is not provided as there is no reasonable probability of a material amount becoming payable in the foreseeable future.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

#### 1.9 Foreign currency translation

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

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

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**1 Accounting policies** (continued)

**1.10 Group accounts**

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Synek Limited, a company incorporated in Cyprus, and is included in the consolidated accounts of that company.

**2 Turnover**

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

<b>3 Operating profit</b>	<b>2008</b>	<b>2007</b>
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	73,716	75,908
Loss on disposal of tangible assets	833	-
Auditors' remuneration	32,000	30,000
and after crediting:		
Profit on disposal of tangible assets	-	(692)
Profit on foreign exchange transactions	(318,192)	-
	<u>                    </u>	<u>                    </u>
<b>4 Investment income</b>	<b>2008</b>	<b>2007</b>
	£	£
Bank interest	14,330	20,152
	<u>                    </u>	<u>                    </u>
<b>5 Interest payable</b>	<b>2008</b>	<b>2007</b>
	£	£
On amounts payable to group companies	72,155	74,162
On bank loans and overdrafts	130,533	127,779
	<u>                    </u>	<u>                    </u>
	<u>202,688</u>	<u>201,941</u>



# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

6 Taxation	2008	2007
	£	£
<b>Domestic current year tax</b>		
U.K. corporation tax	106,422	257,383
	<u>106,422</u>	<u>257,383</u>
<b>Current tax charge</b>	<u>106,422</u>	<u>257,383</u>
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	323,059	788,332
	<u>323,059</u>	<u>788,332</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 27.89% (2007: 30.00%)	90,101	236,500
	<u>90,101</u>	<u>236,500</u>
Effects of:		
Non deductible expenses	10,785	16,532
Depreciation add back	20,792	22,565
Capital allowances	(15,256)	(17,781)
Other tax adjustments	-	(433)
	<u>16,321</u>	<u>20,883</u>
<b>Current tax charge</b>	<u>106,422</u>	<u>257,383</u>

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2008**

### 7 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 January 2008	1,595,000	452,173	470,662	85,441	2,603,276
Additions	-	4,485	11,416	11,464	27,365
Disposals	-	-	-	(11,265)	(11,265)
<b>At 31 December 2008</b>	<b>1,595,000</b>	<b>456,658</b>	<b>482,078</b>	<b>85,640</b>	<b>2,619,376</b>
<b>Depreciation</b>					
At 1 January 2008	18,000	390,027	378,132	25,667	811,826
On disposals	-	-	-	(7,432)	(7,432)
Charge for the year	18,000	15,616	25,005	15,095	73,716
<b>At 31 December 2008</b>	<b>36,000</b>	<b>405,643</b>	<b>403,137</b>	<b>33,330</b>	<b>878,110</b>
<b>Net book value</b>					
At 31 December 2008	<b>1,559,000</b>	<b>51,015</b>	<b>78,941</b>	<b>52,310</b>	<b>1,741,266</b>
At 31 December 2007	1,577,000	62,146	92,530	59,774	1,791,450

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

	£
<b>Cost</b>	
At 1 January 2008 & at 31 December 2008	573,892
<b>Depreciation based on cost</b>	
At 1 January 2008	118,358
Charge for the year	13,043
At 31 December 2008	131,401
<b>Net book value</b>	
At 31 December 2008	442,491
At 31 December 2007	455,534

Land and buildings include an investment property. The directors estimate that the open market Value of the property is in the region of £375,000 based on an estate agent's valuation. The company's main asset at Liverpool Road, London N1 1NL was revalued in January 2008 by Asset Valuation Worldwide Chartered Surveyors at £1.22m. The valuation is reflected in the financial statements.

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2008**

**8 Fixed asset investments**

	Shares in subsidiary undertakings £
<b>Cost or valuation</b>	
At 1 January 2008 & at 31 December 2008	2,665,210
<b>Net book value</b>	
At 31 December 2008	2,665,210
	<u>2,665,210</u>
At 31 December 2007	<u>2,665,210</u>

**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	Class	Shares held %
<b>Subsidiary undertakings</b>			
Alison Hayes (Romania) SRL	Romania	ordinary	99.96

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 2008 £	Profit/(loss) for the year 2008 £
	<b>Principal activity</b>		
Alison Hayes (Romania) SRL	Manufacture of garments	8,259,395	113,806
		<u>8,259,395</u>	<u>113,806</u>

**9 Stocks and work in progress**

	2008 £	2007 £
Raw materials and consumables	8,315	133,413
Work in progress	203,201	44,502
	<u>211,516</u>	<u>177,915</u>

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

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<b>10 Debtors</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	3,816,539	3,667,233
Amounts owed by subsidiary undertakings	3,277,402	2,534,297
Other debtors	32,158	105,051
Prepayments and accrued income	130,192	77,044
	<u>7,256,291</u>	<u>6,383,625</u>

Amounts falling due after more than one year and included in the debtors above are:

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	<u>3,277,402</u>	<u>2,534,297</u>

<b>11 Current asset investments</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Listed investments	<u>50,000</u>	<u>50,000</u>

These comprise investments in shares of a company listed on the Cyprus Stock Exchange. The market value of shares listed on the Cyprus Stock Exchange at the date of signing the financial statements was approximately £40,500 (cost- £50,000).

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2008**

12 Creditors: amounts falling due within one year	2008 £	2007 £
Bank loans and overdrafts	2,077,213	1,416,310
Trade creditors	764,458	852,459
Amounts owed to parent and fellow subsidiary undertakings	25,796	111,701
Amounts owed to subsidiary undertakings	-	1,083
Corporation tax	53,664	22,242
Other taxes and social security costs	527,764	871,281
Other creditors	2,178	-
Accruals and deferred income	75,289	125,273
	3,526,362	3,400,349

The bank overdraft and other facilities are secured by a first legal charge over the company's freehold properties.

13 Creditors: amounts falling due after more than one year	2008 £	2007 £
Other loans	1,360,379	1,260,080
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments:	960,379	760,080
Wholly repayable within five years	500,000	500,000
	1,460,379	1,260,080
Included in current liabilities	(100,000)	-
	1,360,379	1,260,080
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	200,000	100,000
In more than two years but not more than five years	300,000	400,000
In more than five years	960,379	760,080

The company borrowed £1,000,000 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. In October 2008 an additional amount of £280,000 was borrowed from Synek Limited for the same purpose and under the same terms.

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2008**

### 14 Pension costs

#### Defined contribution

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.

	2008 £	2007 £
Contributions payable by the company for the year	42,165	64,874
	<u>42,165</u>	<u>64,874</u>

### 15 Share capital

#### Authorised

1,000,000 ordinary shares of £1 each

	2008 £	2007 £
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

#### Allotted, called up and fully paid

1,000,000 ordinary shares of £1 each

	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

### 16 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2008	1,010,374	5,259,172
Profit for the year	-	216,637
	<u>1,010,374</u>	<u>5,475,809</u>
<b>Balance at 31 December 2008</b>	<b><u>1,010,374</u></b>	<b><u>5,475,809</u></b>

### 17 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the financial year	216,637	530,949
Other recognised gains and losses	-	154,266
	<u>216,637</u>	<u>685,215</u>
Net addition to shareholders' funds	216,637	685,215
Opening shareholders' funds	7,269,546	6,584,331
	<u>7,486,183</u>	<u>7,269,546</u>
Closing shareholders' funds	<u>7,486,183</u>	<u>7,269,546</u>

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2008**

18 Directors' emoluments	2008 £	2007 £
Emoluments for qualifying services	473,431	478,860
Company pension contributions to money purchase schemes	34,290	57,311
	507,721	536,171

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2007- 3).

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

Emoluments for qualifying services	278,640	261,620
Company pension contributions to money purchase schemes	21,000	45,000
	299,640	306,620

### 19 Employees

#### Number of employees

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

	2008 Number	2007 Number
Employees	75	84

#### Employment costs

	2008 £	2007 £
Wages and salaries	2,792,319	3,144,649
Social security costs	258,420	279,702
Other pension costs	42,165	64,874
	3,092,904	3,489,225

### 20 Control

The ultimate parent company is Synek Limited and it owns 100% of the ordinary share capital. Synek Limited is a company registered in Cyprus and prepares group financial statements and copies can be obtained from Stavros Avenue 56, Kariadides Trading Centre, Block A2, Flat 105, Strovolos, Nicosia, Cyprus.

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2008*

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### **21 Related party transactions**

During the year the company paid production costs in the ordinary course of business to Alison Hayes (Romania) SRL, Alison Hayes Moda SRL, and Alison Hayes (Brittanica) S.A subsidiary undertakings. The production costs paid were £27,398,718 (2007- £27,882,323).