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Company Registration No. 2241601 (England and Wales)

**ALISON HAYES (UK) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

**K J PITTALIS & CO**

**K J P**



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COMPANIES HOUSE 26/10/2006

# ALISON HAYES (UK) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr Evelthon Georgiades Mr Robert Chamberlain Miss Koulla Georgiadou 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>	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 87 Chase Side London Great Britain N14 5BU
<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 2005

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The directors present their report and financial statements for the year ended 31 December 2005.

### **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 itself has three wholly owned subsidiaries, Alison Hayes (Romania) S.A. and Alison Hayes Moda S.R.L. who deal with the production of the garments in Romania and Alison Hayes (Brittanica) S.A. which deals with the warehousing and distribution of production in Romania.

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

### **Results and dividends**

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

The directors do not recommend payment of an ordinary dividend.

### **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 April 2004 by Ringley, Chartered Surveyors, at £1.43m. 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 various ways of expanding the warehousing and distribution network in Romania.

# ALISON HAYES (UK) LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### Directors

The following directors have held office since 1 January 2005:

Mr Evelthon Georgiades  
Mr Robert Chamberlain  
Miss Koulla Georgiadou  
Mr George Vassiliou  
Ms Julie Thompson  
Mr Nicholas Georghiadou  
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 2005	1 January 2005
Mr Evelthon Georgiades	-	-
Mr Robert Chamberlain	-	-
Miss Koulla Georgiadou	-	-
Mr George Vassiliou	-	-
Ms Julie Thompson	-	-
Mr Nicholas Georghiadou	-	-
Mr Evelthon Vassiliou	-	-

### Taxation status

The company was not a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

### Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors, K J Pittalis & Co, will be deemed to be reappointed for each succeeding financial year.

# ALISON HAYES (UK) LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

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### Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 which 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

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they 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



Mr Evelthon Vassiliou

Director

11 October 2006

# 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 2005 set out on pages 6 to 19. 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**

As described in the Statement of Directors' Responsibilities on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records or 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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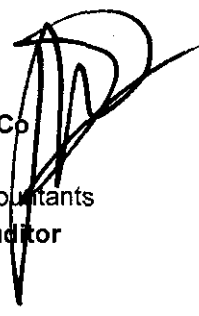
### Opinion

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 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

K J Pittalis & Co

Chartered Accountants  
Registered Auditor



11 October 2006

Global House  
303 Ballards Lane  
London  
N12 8NP



# ALISON HAYES (UK) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

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	Notes	2005 £	2004 £
Turnover	2	38,288,746	32,654,868
Cost of sales		(27,289,437)	(21,873,560)
<b>Gross profit</b>		<b>10,999,309</b>	<b>10,781,308</b>
Distribution costs		(6,668,123)	(6,130,567)
Administrative expenses		(2,667,135)	(3,060,757)
Other operating income		14,400	14,400
<b>Operating profit</b>	3	<b>1,678,451</b>	<b>1,604,384</b>
Other interest receivable and similar income	4	23,094	24,404
Interest payable and similar charges	5	(32,325)	(67,332)
<b>Profit on ordinary activities before taxation</b>		<b>1,669,220</b>	<b>1,561,456</b>
Tax on profit on ordinary activities	6	(526,774)	(488,201)
<b>Profit on ordinary activities after taxation</b>	16	<b>1,142,446</b>	<b>1,073,255</b>

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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.

# ALISON HAYES (UK) LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005		2004	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7	1,722,214		1,805,176	
Investments	8	2,664,975		2,464,974	
			<u>4,387,189</u>		<u>4,270,150</u>
<b>Current assets</b>					
Stocks	9	2,559,132		2,481,745	
Debtors	10	4,276,050		3,655,443	
Investments	11	18,000		18,000	
Cash at bank and in hand		186,757		499,318	
			<u>7,039,939</u>		<u>6,654,506</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(4,686,226)</u>		<u>(5,326,200)</u>	
<b>Net current assets</b>			<u>2,353,713</u>		<u>1,328,306</u>
<b>Total assets less current liabilities</b>			<u>6,740,902</u>		<u>5,598,456</u>
<b>Creditors: amounts falling due after more than one year</b>	13		<u>(327,157)</u>		<u>(327,157)</u>
			<u>6,413,745</u>		<u>5,271,299</u>
<b>Capital and reserves</b>					
Called up share capital	15	1,000,000		1,000,000	
Revaluation reserve	16	856,108		856,108	
Profit and loss account	16	4,557,637		3,415,191	
<b>Shareholders' funds - equity interests</b>	17		<u>6,413,745</u>		<u>5,271,299</u>

The financial statements were approved by the Board on 11 October 2006

Mr Robert Chamberlain  
Director

Mr Evelthon Vassiliou  
Director

**ALISON HAYES (UK) LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

	£	2005 £	£	2004 £
<b>Net cash inflow from operating activities</b>		388,315		2,476,767
<b>Returns on investments and servicing of finance</b>				
Interest received	23,094		24,404	
Interest paid	(32,325)		(67,332)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(9,231)		(42,928)
<b>Taxation</b>		(494,201)		(595,533)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(37,100)		(149,160)	
Receipts from sales of tangible assets	10,450		14,650	
<b>Net cash outflow for capital expenditure</b>		(26,650)		(134,510)
<b>Acquisitions and disposals</b>				
Purchase of subsidiary undertakings (net of cash acquired)	(200,000)		(1,649,787)	
<b>Net cash outflow for acquisitions and disposals</b>		(200,000)		(1,649,787)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>		(341,767)		54,009
<b>Financing</b>				
Repayment of other long term loans	-		(140,328)	
<b>Net cash outflow from financing</b>		-		(140,328)
<b>Decrease in cash in the year</b>		(341,767)		(86,319)

# ALISON HAYES (UK) LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

<b>1</b>	<b>Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>2005</b>	<b>2004</b>		
		£	£		
	Operating profit	1,678,451	1,604,384		
	Depreciation of tangible assets	107,811	117,642		
	Loss on disposal of tangible assets	1,800	4,244		
	(Increase)/decrease in stocks	(77,387)	172,850		
	(Increase)/decrease in debtors	(620,607)	1,085,703		
	Decrease in creditors within one year	(701,753)	(508,056)		
	<b>Net cash inflow from operating activities</b>	<b>388,315</b>	<b>2,476,767</b>		
<b>2</b>	<b>Analysis of net (debt)/funds</b>	<b>1 January 2005</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2005</b>
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	499,318	(312,561)	-	186,757
	Bank overdrafts	(155,938)	(29,206)	-	(185,144)
		<u>343,380</u>	<u>(341,767)</u>	<u>-</u>	<u>1,613</u>
	Liquid resources:				
	Current asset investments	18,000	-	-	18,000
	Bank deposits	-	-	-	-
	Debt:				
	Debts falling due after one year	(327,157)	-	-	(327,157)
	<b>Net funds/(debt)</b>	<u>34,223</u>	<u>(341,767)</u>	<u>-</u>	<u>(307,544)</u>
<b>3</b>	<b>Reconciliation of net cash flow to movement in net (debt)/funds</b>	<b>2005</b>	<b>2004</b>		
		£	£		
	Decrease in cash in the year	(341,767)	(86,319)		
	Cash (inflow)/outflow from (increase)/decrease in debt	-	140,328		
	<b>Movement in net (debt)/funds in the year</b>	<b>(341,767)</b>	<b>54,009</b>		
	Opening net funds/(debt)	34,223	(19,786)		
	<b>Closing net (debt)/funds</b>	<b>(307,544)</b>	<b>34,223</b>		

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

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### 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.

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### 1 Accounting policies (continued)

#### 1.8 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. The deferred tax balance had not been discounted.

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.

#### 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.

3 Operating profit	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	107,811	117,642
Loss on disposal of tangible assets	1,800	4,244
Auditors' remuneration	29,500	40,500
	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>
4 Investment income	2005	2004
	£	£
Bank interest	23,094	24,404
	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>

## ALISON HAYES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

		2005	2004
		£	£
<b>5</b>	<b>Interest payable</b>		
	On bank loans and overdrafts	32,325	67,332
		<u>32,325</u>	<u>67,332</u>
<b>6</b>	<b>Taxation</b>		
	<b>Domestic current year tax</b>		
	U.K. corporation tax	526,774	488,201
		<u>526,774</u>	<u>488,201</u>
	<b>Current tax charge</b>	<u>526,774</u>	<u>488,201</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	1,669,220	1,561,456
		<u>1,669,220</u>	<u>1,561,456</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2004: 30.00%)	500,766	468,437
		<u>500,766</u>	<u>468,437</u>
	Effects of:		
	Non deductible expenses	15,527	36,684
	Depreciation add back	32,883	9,943
	Capital allowances	(22,402)	(26,863)
		<u>26,008</u>	<u>19,764</u>
	<b>Current tax charge</b>	<u>526,774</u>	<u>488,201</u>

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### 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 2005	1,622,326	436,018	420,338	82,747	2,561,429
Additions	-	5,018	17,521	14,560	37,099
Disposals	-	(3,250)	-	(19,453)	(22,703)
<b>At 31 December 2005</b>	<b>1,622,326</b>	<b>437,786</b>	<b>437,859</b>	<b>77,854</b>	<b>2,575,825</b>
<b>Depreciation</b>					
At 1 January 2005	126,708	317,305	275,577	36,663	756,253
On disposals	-	(362)	-	(10,091)	(10,453)
Charge for the year	27,442	29,680	38,443	12,246	107,811
<b>At 31 December 2005</b>	<b>154,150</b>	<b>346,623</b>	<b>314,020</b>	<b>38,818</b>	<b>853,611</b>
<b>Net book value</b>					
<b>At 31 December 2005</b>	<b>1,468,176</b>	<b>91,163</b>	<b>123,839</b>	<b>39,036</b>	<b>1,722,214</b>
At 31 December 2004	1,495,618	118,713	144,761	46,084	1,805,176

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

	£
<b>Cost</b>	
At 1 January 2005 & at 31 December 2005	573,892
<b>Depreciation based on cost</b>	
At 1 January 2005	78,623
Charge for the year	13,346
<b>At 31 December 2005</b>	<b>91,969</b>
<b>Net book value</b>	
<b>At 31 December 2005</b>	<b>481,923</b>
At 31 December 2004	495,269

The freehold property from which the company operates was valued in April 2004 at £1,430,000 by Ringley Chartered Surveyors, on the basis of open market value. The cost or revaluation of the freehold buildings on which depreciation is charged amounted to £1,180,000 (2004- £1,180,000).

Land and buildings include an investment property at a cost of £192,326. The directors estimate that the open market value of the property is in the region of £290,000.



# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### 8 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost or valuation</b>	
At 1 January 2005	2,464,975
Additions	200,000
	2,664,975
<b>At 31 December 2005</b>	<b>2,664,975</b>
	2,664,975
<b>Net book value</b>	
At 31 December 2005	2,664,975
	2,664,975
At 31 December 2004	2,464,974
	2,464,974

#### 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) S.A.	Romania	ordinary	99.97
Alison Hayes Moda S.R.L	Romania	ordinary	99.80
Alison Hayes (Brittanica)S.A.	Romania	ordinary	100.00

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 2005 £	Profit for the year 2005 £
	<b>Principal activity</b>		
Alison Hayes (Romania) S.A.	Manufacture of garments	3,339,019	331,263
Alison Hayes Moda S.R.L	Design of samples	34,750	(47,185)
Alison Hayes (Brittanica)S.A.	Handling and distribution	433,817	180,000
		3,807,586	464,078

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

9 Stocks and work in progress	2005 £	2004 £
Raw materials and consumables	1,638,999	1,362,122
Work in progress	197,201	243,025
Finished goods and goods for resale	722,932	876,598
	2,559,132	2,481,745

10 Debtors	2005 £	2004 £
Trade debtors	2,395,382	2,552,156
Amounts owed by subsidiary undertakings	1,651,491	929,609
Other debtors	128,739	121,282
Prepayments and accrued income	100,438	52,396
	4,276,050	3,655,443

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

	2005 £	2004 £
Amounts owed by group undertakings	1,651,491	929,609

11 Current asset investments	2005 £	2004 £
Listed investments	18,000	18,000

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 £43,000 (cost- £50,000). The value of the shares was previously written down to £18,000 being the market value in 2002. The difference in the market value is not considered material.

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

12 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	185,144	155,938
Trade creditors	2,758,701	2,676,648
Amounts owed to parent and fellow subsidiary undertakings	218,357	341,146
Amounts owed to subsidiary undertakings	122,542	16,505
Corporation tax	330,096	297,523
Other taxes and social security costs	317,311	1,180,222
Directors' current accounts	119,727	190,365
Other creditors	15,433	-
Accruals and deferred income	618,915	467,853
	<b>4,686,226</b>	<b>5,326,200</b>
	<b>4,686,226</b>	<b>5,326,200</b>

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	2005 £	2004 £
Other loans	327,157	327,157
	<b>327,157</b>	<b>327,157</b>
	<b>327,157</b>	<b>327,157</b>
<b>Analysis of loans</b>		
Not wholly repayable within five years other than by instalments:		
Amount owed to group undertaking	327,157	327,157
	<b>327,157</b>	<b>327,157</b>
	<b>327,157</b>	<b>327,157</b>
<b>Loan maturity analysis</b>		
In more than five years	327,157	327,157
	<b>327,157</b>	<b>327,157</b>
	<b>327,157</b>	<b>327,157</b>

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### 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.

	2005 £	2004 £
Contributions payable by the company for the year	32,250	35,188

### 15 Share capital

	2005 £	2004 £
<b>Authorised</b>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
<b>Allotted, called up and fully paid</b>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000

### 16 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2005	856,108	3,415,191
Retained profit for the year	-	1,142,446
<b>Balance at 31 December 2005</b>	<b>856,108</b>	<b>4,557,637</b>

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

<b>17 Reconciliation of movements in shareholders' funds</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>1,142,446</b>	1,073,255
Other recognised gains and losses	-	400,000
Net addition to shareholders' funds	<b>1,142,446</b>	1,473,255
Opening shareholders' funds	<b>5,271,299</b>	3,798,044
Closing shareholders' funds	<b>6,413,745</b>	5,271,299

<b>18 Directors' emoluments</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Emoluments for qualifying services	<b>956,679</b>	784,572
Company pension contributions to money purchase schemes	<b>30,375</b>	27,413
	<b>987,054</b>	811,985

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2004 - 3).

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

Emoluments for qualifying services	<b>341,915</b>	232,660
Company pension contributions to money purchase schemes	<b>21,000</b>	21,000

# ALISON HAYES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### 19 Employees

#### Number of employees

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

	2005 Number	2004 Number
Employees	87	85

#### Employment costs

	2005 £	2004 £
Wages and salaries	3,431,893	3,491,966
Social security costs	322,139	261,474
Other pension costs	32,250	35,188
	<u>3,786,282</u>	<u>3,788,628</u>

### 20 Ultimate parent company

The ultimate parent company is Synek Limited, a company registered in Cyprus. Synek Limited prepares group financial statements and copies can be obtained from the Cypriot companies house.

### 21 Related party transactions

During the year the company paid production costs in the ordinary course of business to Alison Hayes (Romania) S.A, Alison Hayes Moda S.L.R, and Alison Hayes (Brittanica) S.A subsidiary undertakings. The production costs paid were £13,062,044 (2004- £7,005,777).