

Registered number. 0622183

SHUBETTE OF LONDON LIMITED

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

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SHUBETTE OF LONDON LIMITED

COMPANY INFORMATION

Directors	G B Offenbach C D Offenbach M J Offenbach
Company secretary	P A Weber
Company number	0622183
Registered office	Shubette House 2 Apsley Way London NW2 7HF
Business address	Shubette House 2 Apsley Way London NW2 7HF
Auditors	Nyman Libson Paul Chartered Accountants & Statutory Auditors Regina House 124 Finchley Road London NW3 5JS
Bankers	Barclays Bank Plc 1 Churchill Place Canary Wharf London E14 5HP

SHUBETTE OF LONDON LIMITED

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SHUBETTE OF LONDON LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2011

The directors present their report and the financial statements for the year ended 30 September 2011

Principal activities

The principal activity of the company is the design of contemporary and modern own-brand and private-label fashion clothing

Business review

The results for the company show an operating profit of £408,921 (2010 £339,892) and sales of £13,098,426 (2010 £13,023,209) The company made a pre-tax profit of £342,060 (2010 loss of £4,346,489)

Results

The profit for the year, after taxation, amounted to £227,534 (2010 - loss £4,458,889) The 2010 result arose after a loss on disposal of land and buildings of £4,638,046

Future outlook

The external commercial environment is expected to remain competitive in 2012 However, the directors remain confident at the operating profit level that the company will maintain its current level of performance in the future

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks

The key business risks and uncertainties affecting the company are considered to relate to the acceptance of product and design by the customers of the company

Key Performance Indicators ("KPIs")

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Directors

The directors who served during the year were

G B Offenbach
C D Offenbach
M J Offenbach

Charitable contributions

Charitable donations paid during the year amounted to £4,275 (2010 £11,896) In addition, the company contributed goods to the value of £260 (2010 £928) to charitable causes during the period

SHUBETTE OF LONDON LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2011

Financial instruments

The company's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to finance the company's operations. Due to the nature of financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a continuity of funding. Trade debtors are managed in respect of credit and cash flow risks by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. Trade creditors liquidity risk is managed by ensuring that sufficient funds are available to meet amounts due.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the 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 judgments 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 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 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 auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the board on 13/1/2012

and signed on its behalf



P A Weber
Secretary

SHUBETTE OF LONDON LIMITED

**INDEPENDENT AUDITORS' REPORT TO SHUBETTE OF LONDON LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 4 to 12, together with the financial statements of Shubette of London Limited for the year ended 30 September 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 are properly prepared.

Opinion on financial statements

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts on pages 4 to 12 have been properly prepared in accordance with the regulations made under that section.



Richard Paul (Senior statutory auditor)

for and on behalf of
Nyman Libson Paul

Chartered Accountants
Statutory Auditors

Regina House
124 Finchley Road
London
NW3 5JS

13 January 2012

SHUBETTE OF LONDON LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	Note	2011 £	2010 £
TURNOVER	1	13,098,426	13,023,209
GROSS PROFIT	2	4,382,228	4,857,380
Distribution costs		(2,401,100)	(2,516,963)
Administrative expenses		(1,572,207)	(2,000,525)
OPERATING PROFIT	2	408,921	339,892
EXCEPTIONAL ITEMS			
Net profit/(loss) on sale of tangible fixed assets	4	-	(4,638,046)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST		408,921	(4,298,154)
Loss on disposal of investments	9	(150)	-
Interest receivable and similar income		12,669	5,677
Interest payable and similar charges	3	(79,380)	(54,012)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		342,060	(4,346,489)
Tax on profit/(loss) on ordinary activities	5	(114,526)	(112,400)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		227,534	(4,458,889)

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

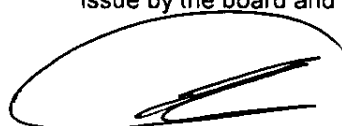
The notes on pages 6 to 12 form part of these financial statements

SHUBETTE OF LONDON LIMITED
REGISTERED NUMBER. 0622183

ABBREVIATED BALANCE SHEET
AS AT 30 SEPTEMBER 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	6		185,233		197,621
Investments	7		-		150
			<u>185,233</u>		<u>197,771</u>
CURRENT ASSETS					
Stocks	8	850,146		739,190	
Debtors	9	1,937,497		2,438,660	
Cash at bank and in hand		2,025,857		3,323,547	
		<u>4,813,500</u>		<u>6,501,397</u>	
CREDITORS , amounts falling due within one year	10	(1,932,418)		(3,420,387)	
NET CURRENT ASSETS			<u>2,881,082</u>		<u>3,081,010</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,066,315</u>		<u>3,278,781</u>
CREDITORS , amounts falling due after more than one year	11		(680,000)		(1,120,000)
NET ASSETS			<u><u>2,386,315</u></u>		<u><u>2,158,781</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		1,000,000		1,000,000
Profit and loss account	14		1,386,315		1,158,781
SHAREHOLDERS' FUNDS	15		<u><u>2,386,315</u></u>		<u><u>2,158,781</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 13/1/2012



G B Offenbach
Director



C D Offenbach
Director

The notes on pages 6 to 12 form part of these financial statements

SHUBETTE OF LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Turnover

Turnover comprises amounts receivable for goods net of Value Added Tax and trade discounts

1.3 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & machinery	-	15% reducing balance
Computer equipment	-	33 3% reducing balance
Fixtures, equipment & motor vehicles	-	15% to 20% reducing balance

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment

1.5 Leasing

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.6 Stocks

Stocks 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 makes contributions directly into individual employees' personal pension plans. The pension cost charge represents contributions paid to those funds during the year

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. There have been no contributions made to this scheme during either this or the previous financial year

SHUBETTE OF LONDON LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

1 ACCOUNTING POLICIES (continued)

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	47,241	120,206
Auditors' remuneration	19,000	18,900
Operating lease rentals		
- other operating leases	227,254	121,665
Difference on foreign exchange	(12,267)	140,573
	<u> </u>	<u> </u>

3. INTEREST PAYABLE

	2011 £	2010 £
Other loan interest	79,380	54,012
	<u> </u>	<u> </u>

4. EXCEPTIONAL ITEMS

	2011 £	2010 £
Loss on disposal of land and buildings	-	4,638,046
	<u> </u>	<u> </u>

SHUBETTE OF LONDON LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

5 TAXATION

	2011 £	2010 £
Analysis of tax charge in the year		
UK corporation tax charge on profit/loss for the year	108,472	112,400
Adjustments in respect of prior periods	6,054	-
Tax on profit/loss on ordinary activities	<u>114,526</u>	<u>112,400</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - higher than) the standard rate of corporation tax in the UK of 27% (2010 - 28%) The differences are explained below

	2011 £	2010 £
Profit/loss on ordinary activities before tax	<u>342,060</u>	<u>(4,346,489)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 27% (2010 - 28%)	92,356	(1,217,017)
Effects of:		
Expenses not deductible for tax purposes	21,751	23,251
Capital allowances	(16,904)	(13,654)
Utilisation of tax losses	-	(7,140)
Loss on disposal of fixed assets	733	1,299,127
Adjustments to tax charge in respect of small profits relief	(896)	(5,741)
Adjustments in respect of prior periods	6,054	-
Depreciation add back	12,755	33,658
Provision tax adjustment	(1,323)	(84)
Current tax charge for the year (see note above)	<u>114,526</u>	<u>112,400</u>

SHUBETTE OF LONDON LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

6. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures, equipment and motor vehicles £	Total £
Cost			
At 1 October 2010	81,483	504,052	585,535
Additions	1,246	36,321	37,567
Disposals	(6,064)	(21,330)	(27,394)
At 30 September 2011	76,665	519,043	595,708
Depreciation			
At 1 October 2010	67,551	320,363	387,914
Charge for the year	2,221	45,020	47,241
On disposals	(5,656)	(19,024)	(24,680)
At 30 September 2011	64,116	346,359	410,475
Net book value			
At 30 September 2011	12,549	172,684	185,233
At 30 September 2010	13,932	183,689	197,621

7. FIXED ASSET INVESTMENTS

	Unlisted investments £
Cost or valuation	
At 1 October 2010	150
Disposals	(150)
At 30 September 2011	-
Net book value	
At 30 September 2011	-
At 30 September 2010	150

SHUBETTE OF LONDON LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

8 STOCKS

	2011 £	2010 £
Raw materials and consumables	459,202	381,998
Finished goods and goods for resale	390,944	357,192
	<u>850,146</u>	<u>739,190</u>

9. DEBTORS

	2011 £	2010 £
Trade debtors	1,838,263	2,260,754
Other debtors	64,674	143,094
Prepayments and accrued income	34,560	34,812
	<u>1,937,497</u>	<u>2,438,660</u>

10. CREDITORS

Amounts falling due within one year

	2011 £	2010 £
Other loans	440,000	240,000
Trade creditors	581,747	803,015
Amounts owed to group undertakings	414,897	1,414,498
Corporation tax	108,064	108,083
Social security and other taxes	217,092	185,590
Other creditors	9,252	6,471
Accruals and deferred income	161,366	662,730
	<u>1,932,418</u>	<u>3,420,387</u>

Other loans are secured by debentures granting a floating charge over all the assets of the company

11. CREDITORS.

Amounts falling due after more than one year

	2011 £	2010 £
Other loans	<u>680,000</u>	<u>1,120,000</u>

SHUBETTE OF LONDON LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

11 CREDITORS:

Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows

	2011 £	2010 £
In more than one year but not more than two years	240,000	40,000
In more than two years but not more than five years	440,000	1,080,000
	<u>680,000</u>	<u>1,120,000</u>

Other loans are secured by debentures granting a floating charge over all the assets of the company

12. PENSION COMMITMENTS

Contributions payable by the company for the year are £58,435 (2010 £54,280)

13. SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

14. RESERVES

	Profit and loss account £
At 1 October 2010	1,158,781
Profit for the year	227,534
At 30 September 2011	<u>1,386,315</u>

15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Opening shareholders' funds	2,158,781	8,517,670
Profit/(loss) for the year	227,534	(4,458,889)
Dividends (Note 18)	-	(1,900,000)
Closing shareholders' funds	<u>2,386,315</u>	<u>2,158,781</u>

SHUBETTE OF LONDON LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

16. DIRECTORS' REMUNERATION

	2011 £	2010 £
Emoluments	136,717	526,613

The highest paid director received remuneration of £87,000 (2010 - £295,937)

17. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	1,910,539	2,507,059
Social security costs	219,730	292,972
Other pension costs	58,435	54,280
	<u>2,188,704</u>	<u>2,854,311</u>

The average monthly number of employees, including the directors, during the year was as follows

	2011 No	2010 No
Management	3	3
Administration, production and sales	57	58
	<u>60</u>	<u>61</u>

18. DIVIDENDS

	2011 £	2010 £
Dividends paid on equity capital	-	1,900,000

19. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is Shubette Group of Companies Limited, a non-trading company registered in England and Wales. The controlling parties are the directors G B Offenbach and C D Offenbach.