

**Registration number 1493872**

**Descamps Limited**  
**Directors' report and financial statements**  
**for the year ended 31 December 2007**

**TUESDAY**



**\*LQNS8IQ6\***  
**LD5 30/03/2010 266**  
**COMPANIES HOUSE**

## **Descamps Limited**

### **Company information**

|                   |  |
|-------------------|--|
| Directors         | A Rigamonti<br>G Bonatti<br>F Spiesser             |
| Secretary         | Beach Secretaries Limited                          |
| Company number    | 1493872  |
| Registered office | 100 Fetter Lane<br>London<br>EC4A 1BN              |
| Auditors          | Constantin<br>25 Hosier Lane<br>London<br>EC1A 9LQ |

## **Descamps Limited**

### **Contents**

|                                   | <b>Page</b>   |
|-----------------------------------|---------------|
| Directors' report                 | <b>1 - 2</b>  |
| Auditors' report                  | <b>3 - 4</b>  |
| Profit and loss account           | <b>5</b>      |
| Balance sheet                     | <b>6</b>      |
| Notes to the financial statements | <b>7 - 13</b> |

## **Descamps Limited**

### **Directors' report for the year ended 31 December 2007**

The directors present their report and the financial statements for the year ended 31 December 2007

#### **Principal activity**

The principal activity of the company in the UK is the marketing and distribution of textile fabrics manufactured in France

#### **Results**

The results for the year are set out on page 5.

#### **Directors**

The directors who served during the year are as stated below

A Rigamonti

G Bonatti

N Monasterio (Resigned on 23 May 2008)

J Le Bohec (Resigned on 18 November 2007)

F Spiesser (Appointed on 31 July 2007)

#### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP)

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 year. In preparing these financial statements the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

In the case of each of the persons who are directors at the time when the report is approved

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

**Descamps Limited**

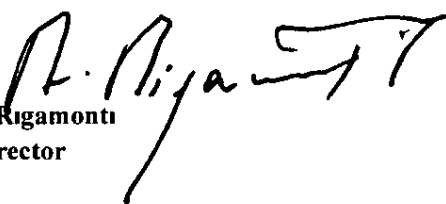
**Directors' report  
for the year ended 31 December 2007**

**Auditors**

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

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

This report was approved by the Board on 23.3.10 and signed on its behalf by

  
A Rigamonti  
Director

## **Descamps Limited**

### **Independent auditors' report to the shareholders of Descamps Limited**

We have audited the financial statements of Descamps Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and the 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.

**Descamps Limited**

**Independent auditors' report to the shareholders of Descamps Limited continued**

**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 2007 and of its loss 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



**Constantin**  
**Registered Auditors**

**25 Hosier Lane**  
**London**  
**EC1A 9LQ**

**Date** 30 March 2010.

**Descamps Limited**

**Profit and loss account  
for the year ended 31 December 2007**

|  |              | <b>Continuing operations</b> |                         |
|--|--------------|------------------------------|-------------------------|
|  |              | <b>2007</b>                  | <b>2006</b>             |
|  | <b>Notes</b> | <b>£</b>                     | <b>£</b>                |
| <b>Turnover</b>                                    | <b>2</b>     | 2,884,241                    | 2,268,294               |
| Cost of sales                                      |              | (1,191,552)                  | (894,235)               |
| <b>Gross profit</b>                                |              | <u>1,692,689</u>             | <u>1,374,059</u>        |
| Administrative expenses                            |              | (2,400,239)                  | (1,687,069)             |
| Net impairment release                             | <b>3</b>     | <u>48,000</u>                | <u>36,000</u>           |
| <b>Operating loss</b>                              | <b>4</b>     | <u>(659,550)</u>             | <u>(277,010)</u>        |
| Other interest receivable and similar income       |              | 2,257                        | 1,243                   |
| Interest payable and similar charges               |              | <u>(41,057)</u>              | <u>-</u>                |
| <b>Loss on ordinary activities before taxation</b> |              | <u>(698,350)</u>             | <u>(275,767)</u>        |
| Tax on loss on ordinary activities                 | <b>8</b>     | <u>-</u>                     | <u>-</u>                |
| <b>Loss on ordinary activities after taxation</b>  | <b>14</b>    | <u><u>(698,350)</u></u>      | <u><u>(275,767)</u></u> |

There are no recognised gains or losses other than the loss for the above two financial years

**The notes on pages 7 to 13 form an integral part of these financial statements.**

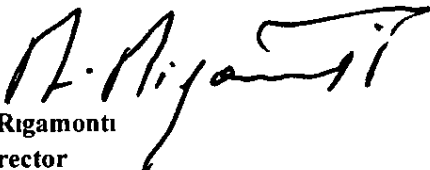


**Descamps Limited**

**Balance sheet  
as at 31 December 2007**

|   |       | 2007               |                    | 2006               |                    |
|---|-------|--------------------|--------------------|--------------------|--------------------|
|   | Notes | £                  | £                  | £                  | £                  |
| <b>Fixed assets</b>                                   |       |                    |                    |                    |                    |
| Tangible assets                                       | 9     |                    | 854,205            |                    | 170,616            |
| <b>Current assets</b>                                 |       |                    |                    |                    |                    |
| Stocks  | 10    | 1,206,917          |                    | 585,732            |                    |
| Debtors   | 11    | 470,953            |                    | 308,644            |                    |
| Cash at bank and in hand                              |       | 160,500            |                    | 51,497             |                    |
|   |       | <u>1,838,370</u>   |                    | <u>945,873</u>     |                    |
| <b>Creditors: amounts falling due within one year</b> | 12    | <u>(4,320,623)</u> |                    | <u>(2,046,187)</u> |                    |
| <b>Net current liabilities</b>                        |       |                    | <u>(2,482,253)</u> |                    | <u>(1,100,314)</u> |
| <b>Total assets less current liabilities</b>          |       |                    | <u>(1,628,048)</u> |                    | <u>(929,698)</u>   |
| <b>Capital and reserves</b>                           |       |                    |                    |                    |                    |
| Called up share capital                               | 13    |                    | 2,000,000          |                    | 2,000,000          |
| Profit and loss account                               | 14    |                    | <u>(3,628,048)</u> |                    | <u>(2,929,698)</u> |
| <b>Shareholders' funds</b>                            | 15    |                    | <u>(1,628,048)</u> |                    | <u>(929,698)</u>   |

The financial statements were approved by the Board on **23.3.10** and signed on its behalf by

  
A Rigamonti  
Director

The notes on pages 7 to 13 form an integral part of these financial statements.

## **Descamps Limited**

### **Notes to the financial statements for the year ended 31 December 2007**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the applicable Accounting Standards

##### **1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax and trade discounts, of sales made during the year. Revenue is recognised at the point of sale.

##### **1.3. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

|                                  |   |  |
|----------------------------------|---|--|
| Leasehold premium                | - | Straight line over the life of the lease |
| Shop and office equipment        | - | 10% - 33% per annum                      |
| Fixtures, fittings and equipment | - | 20% per annum                            |
| Computer equipment               | - | 20% - 33% per annum                      |

##### **1.4. Leasing**

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

##### **1.5. Stock**

Stock is valued at the lower of cost and net realisable value.

##### **1.6. Pensions**

The company operates a defined contribution pension scheme. The amount charged to the Profit and Loss Account in respect of pension cost is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

##### **1.7. Deferred taxation**

Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

##### **1.8. Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the Balance Sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss Account.

## **Descamps Limited**

### **Notes to the financial statements for the year ended 31 December 2007**

#### **1.9. Going concern**

The financial statements have been prepared on a going concern basis as the immediate parent undertaking, Vincenzo Zucchi SpA, has agreed to provide such financial support as may be necessary in order to enable the company to meet its financial obligations as they fall due in the foreseeable future

#### **1.10. Related party transactions**

In accordance with Financial Reporting Standard No 8, the company has taken advantage of the exemption for subsidiary undertakings, whose 90% or more voting rights are controlled within a group, from the requirement to disclose related party transactions, as the consolidated financial statements in which the company is included are publicly available

#### **1.11. Cash flow statement**

In accordance with Financial Reporting Standard No 1, the company has taken advantage of the exemption for subsidiary undertakings, whose 90% or more voting rights are controlled within a group, from the requirement to prepare a cash flow statement, as the consolidated financial statements in which the company is included are publicly available

#### **2. Turnover**

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

#### **3. Impairment provision**

Where the net book value of an income generating unit exceeds the higher of net realisable value and value in use, an impairment loss has been recognised. The value in use is calculated by discounting the cash flows generated by each income generating unit at the rate of 6% over an 8 year period. The period is in line with the investment policy of the Company

#### **4. Operating loss**

|  | <b>2007</b> | <b>2006</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Operating loss is stated after charging                    |             |             |
| Depreciation and other amounts written off tangible assets | 220,189     | 61,399      |
| Exchange differences                                       | 15,697      | 738         |
| Operating lease rentals                                    |             |             |
| - Land and buildings                                       | 646,930     | 557,771     |
| Auditors' remuneration                                     | 7,000       | 4,000       |

**Descamps Limited**

**Notes to the financial statements  
for the year ended 31 December 2007**

**5. Employees**

| <b>Number of employees</b>   | <b>2007</b> | <b>2006</b> |
|--|-------------|-------------|
| The average monthly numbers of employees<br>(including the directors) during the year were | 52          | 52          |

| <b>Employment costs</b>              | <b>2007</b>    | <b>2006</b>    |
|--------------------------------------|----------------|----------------|
|                                      | <b>£</b>       | <b>£</b>       |
| Wages and salaries                   | 908,759        | 700,024        |
| Social security costs                | 62,027         | 49,824         |
| Pension costs-other operating charge | 3,795          | 4,140          |
|                                      | <u>974,581</u> | <u>753,988</u> |

**6. Directors' emoluments**

|                                 | <b>2007</b> | <b>2006</b>   |
|---------------------------------|-------------|---------------|
|                                 | <b>£</b>    | <b>£</b>      |
| Remuneration and other benefits | -           | 35,384        |
| Pension contributions           | -           | 4,141         |
|                                 | <u>-</u>    | <u>39,525</u> |

**7. Pension costs**

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £3,795 (2006 - £4,140). There were no outstanding contributions at the Balance Sheet date (2006 - £Nil).

# Descamps Limited

## Notes to the financial statements for the year ended 31 December 2007

### 8. Tax on loss on ordinary activities

| Analysis of charge in period | 2007<br>£ | 2006<br>£ |
|------------------------------|-----------|-----------|
| UK corporation tax           | -         | -         |

### Factors affecting tax charge for period

The tax assessed for the period differs from the standard rate of corporation tax in the UK (30 per cent)  
The differences are explained below

|  | 2007<br>£ | 2006<br>£ |
|--|-----------|-----------|
| Loss on ordinary activities before taxation  | (698,350) | (275,767) |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 December 2006 - 30%) | (209,505) | (82,730)  |
| <b>Effects of:</b>   |           |           |
| Expenses not deductible for tax purposes   | 49,423    | 3,980     |
| Income not taxable for tax purposes  | (11,332)  | (10,800)  |
| Capital allowances less than/(more than) depreciation  | (33,878)  | (351)     |
| Expenses not deductible for tax purposes - fixed assets  | -         | 2,258     |
| Unrelieved tax losses  | 205,292   | 87,643    |
| Current tax charge for period  | -         | -         |

### Factors that may affect future tax charges

A potential deferred tax asset of £641,392 (2006 - £472,237) relating to unrelieved trading losses and fixed asset timing differences has not been recognised on the grounds that it is not deemed recoverable under Financial Reporting Standard No 19

# Descamps Limited

## Notes to the financial statements for the year ended 31 December 2007

| 9. Tangible fixed assets         | Leasehold<br>premium<br>£ | Shop and<br>office<br>equipment<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|----------------------------------|---------------------------|--------------------------------------|---|----------------------------|------------|
| <b>Cost</b>                      |                           |                                      |   |                            |            |
| At 1 January 2007                | -                         | 655,586                              | 319,530                                     | 29,359                     | 1,004,475  |
| Additions                        | 450,000                   | 270,171                              | 134,547                                     | 1,060                      | 855,778    |
| At 31 December 2007              | 450,000                   | 925,757                              | 454,077                                     | 30,419                     | 1,860,253  |
| <b>Depreciation</b>              |                           |                                      |   |                            |            |
| At 1 January 2007                | -                         | 606,002                              | 200,119                                     | 27,738                     | 833,859    |
| Reversal of impairment provision | -                         | (132,000)                            | -   | -                          | (132,000)  |
| Impairment provision             | -                         | 84,000                               | -   | -                          | 84,000     |
| Charge for the year              | 37,500                    | 16,434                               | 165,704                                     | 551                        | 220,189    |
| At 31 December 2007              | 37,500                    | 574,436                              | 365,823                                     | 28,289                     | 1,006,048  |
| <b>Net book values</b>           |                           |                                      |   |                            |            |
| At 31 December 2007              | 412,500                   | 351,321                              | 88,254                                      | 2,130                      | 854,205    |
| At 31 December 2006              | -                         | 49,584                               | 119,411                                     | 1,621                      | 170,616    |

| 10. Stocks     | 2007<br>£ | 2006<br>£ |
|----------------|-----------|-----------|
| Finished goods | 1,206,917 | 585,732   |

| 11. Debtors                        | 2007<br>£ | 2006<br>£ |
|------------------------------------|-----------|-----------|
| Trade debtors                      | 1,895     | 11,043    |
| Amounts owed by group undertakings | 838       | 6,688     |
| Other debtors                      | 413,354   | 265,493   |
| Prepayments and accrued income     | 54,866    | 25,420    |
|                                    | 470,953   | 308,644   |

**Descamps Limited**

**Notes to the financial statements  
for the year ended 31 December 2007**

|   |                    |                    |
|---|--------------------|--------------------|
| <b>12. Creditors: amounts falling due within one year</b>     | <b>2007</b>        | <b>2006</b>        |
|   | <b>£</b>           | <b>£</b>           |
| Trade creditors   | 201,551            | 202,066            |
| Amounts owed to group undertaking                             | 3,122,212          | 1,703,542          |
| Other taxes and social security costs                         | 81,055             | 49,422             |
| Other creditors   | 838,530            | 35,728             |
| Accruals and deferred income                                  | 77,275             | 55,429             |
|   | <u>4,320,623</u>   | <u>2,046,187</u>   |
| <b>13. Share capital</b>                                      | <b>2007</b>        | <b>2006</b>        |
|   | <b>£</b>           | <b>£</b>           |
| <b>Authorised equity</b>                                      |                    |                    |
| 2,000,000 Ordinary shares of £1 each                          | <u>2,000,000</u>   | <u>2,000,000</u>   |
| <b>Allotted, called up and fully paid equity</b>              |                    |                    |
| 2,000,000 Ordinary shares of £1 each                          | <u>2,000,000</u>   | <u>2,000,000</u>   |
| <b>14. Equity Reserves</b>                                    |                    | <b>Total</b>       |
|   |                    | <b>£</b>           |
| <b>At 1 January 2007</b>                                      |                    | (2,929,698)        |
| Loss for the year   |                    | (698,350)          |
| <b>At 31 December 2007</b>                                    |                    | <u>(3,628,048)</u> |
| <b>15. Reconciliation of movements in shareholders' funds</b> | <b>2007</b>        | <b>2006</b>        |
|   | <b>£</b>           | <b>£</b>           |
| Loss for the year   | (698,350)          | (275,767)          |
| Opening shareholders' funds                                   | <u>(929,698)</u>   | <u>(653,931)</u>   |
| Closing shareholders' funds                                   | <u>(1,628,048)</u> | <u>(929,698)</u>   |

**Descamps Limited**

**Notes to the financial statements  
for the year ended 31 December 2007**

**16. Financial commitments**

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as follows

|                     | <b>Land and buildings</b> |               |
|---------------------|---------------------------|---------------|
|                     | <b>2007</b>               | <b>2006</b>   |
|                     | <b>£</b>                  | <b>£</b>      |
| <b>Expiry date:</b> |                           |               |
| In over five years  | <u>144,316</u>            | <u>44,316</u> |

**17. Ultimate parent undertaking and controlling party**

The company's ultimate parent undertaking and controlling party is Vincenzo Zucchi SpA, a company incorporated in Italy. Copies of the consolidated financial statements, in which the company is included, are available from its registered office Via Tiziano 9/a, 20145 Milano, Italy.

Vincenzo Zucchi SpA is the smallest and the largest group for which group accounts are prepared and which includes Descamps Limited in its consolidated financial statements.