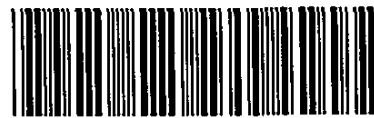


A.S H.S LIMITED
Report of the Directors and
Consolidated Financial Statements
For The Year Ended 31st December 2010

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A S H S LIMITED (REGISTERED NUMBER: 03142746)

**Contents of the Consolidated Financial Statements
For The Year Ended 31st December 2010**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	5
Consolidated Profit and Loss Account	6
Consolidated Balance Sheet	7
Company Balance Sheet	8
Consolidated Cash Flow Statement	9
Notes to the Consolidated Cash Flow Statement	10
Notes to the Consolidated Financial Statements	12

A S.H.S LIMITED

**Company Information
For The Year Ended 31st December 2010**

DIRECTORS:

Ms A Hindmarch
Miss L J M Ephson
Mr H J Seymour
Mr D Ortu
Mrs S E A Westerman
Miss C H Southworth
Mr S P Kearsey
Mr J McArthur

SECRETARY:

Mr M W Hindmarch

REGISTERED OFFICE:

The Stable Block
Plough Brewery
Battersea
London
SW8 3JX

REGISTERED NUMBER:

03142746

**SENIOR STATUTORY
AUDITOR:**

Mark Norton

AUDITORS

Wilkins Kennedy
Chartered Accountants
& Statutory Auditor
Bridge House
London Bridge
London
SE1 9QR

BANKERS:

HSBC Holdings plc
8 Canada Square
London
E14 5HQ

**Report of the Directors
For The Year Ended 31st December 2010**

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2010

PRINCIPAL ACTIVITY

A S H S Limited operates worldwide under the trading name Anya Hindmarch. The Anya Hindmarch business was started in 1987 by Ms Anya Hindmarch, who has been the controlling shareholder, chief executive and creative head of the business since its inception. The business has operated profitably every year since it was founded, despite the intensely competitive market place in which it has operated, with the exception of modest losses incurred during the late 1990's. A S H S Limited was incorporated in 1996.

The principal activity of the Group is the design, development and sale of luxury handbags and accessories. As part of its collection, the Company offers, for women and men, the Anya Hindmarch Bespoke range which may also be personalised with handwritten messages, monograms or drawings. The Company's headquarters and creative workshops are located in London, a strategic choice which inspires much of the distinctly British luxury character of the Anya Hindmarch brand. The Company also manages its product development, production, marketing, digital and commercial activities from its London base.

The Company's products are sold through its e-commerce operations and through its network of 13 directly-operated stores in the UK, Ireland and the USA. Its first UK retail store opened in London in 1993 and it has been retailing in New York since 1999 and in Los Angeles since 2000. Anya Hindmarch also has a longstanding and profitable presence in key Asian markets. Its carefully controlled franchise partners operate Anya Hindmarch mono-brand stores in Japan (26 stores, the first one opened in 2000, Anya Hindmarch products having been sold in Japan since around 1990), Hong Kong (3 stores, the first one in 1996), Taiwan (6 stores), Malaysia (3 stores), and the Middle East (1 store). In addition, the Company sells its products to a selective network of luxury wholesale and speciality stores and to e-commerce customers present in key luxury markets around the world. However, the Company does not yet sell its products to customers in a number of key luxury markets, such as China, Brazil or India, nor are any of its products sold under licence.

The Company's North American retail and wholesale activities are carried out through its two subsidiaries, A S H S USA Limited and A S H S East Coast Limited.

There have not been any significant changes in the scope of the Company's activities during the year under review and the Directors are not aware, at the date of this report, of any major changes in the activities of the Group over the coming year. However, during 2011, the Company has embarked upon a strategy of accelerated growth as further outlined below.

REVIEW OF BUSINESS

FINANCIAL PERFORMANCE

Despite generally challenging world economic conditions and the absence of the Company from direct participation in a number of the key luxury growth markets such as China, revenue from continuing business during the period grew by over 12%, reaching £20M (2009 £17.8M). Worldwide sales of Anya Hindmarch products now exceed £35M at retail value, up by 19% over the year.

During the 2010 financial year, the Company's gross margin grew by 18%, EBITDA by 36%, operating profit by 95% and profit before tax by 114%.

At the close of the 2010 financial year, the Company had a net cash balance of £1.6M. The Directors are confident that the Company has adequate financial reserves and bank facilities to fund its continuing business operations.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company operates in the high-end luxury sector, primarily in a segment (luxury leather accessories) which is typically among the most profitable in the worldwide luxury business. However, the Company's business is also subject to a variety of business risks, including those associated with design and collection risk, and volatile world economic conditions and exchange rates, for example.

**Report of the Directors
For The Year Ended 31st December 2010**

The Company seeks to mitigate these and other business risks by a variety of strategies which drive its day-to-day operations. For example, at a product level, the Company invests consistently in the design of new products each season as well as in the development of carry-over lines that aim to build on the success of established items. The Company makes targeted use of marketing to enhance customer interest and pays close attention to maintaining and improving its relationship with its customers. The Company's deliberate strategy to foster the international spread of the business and exposure to a mix of developed and developing economies is intended to help mitigate the impact of global economic uncertainty. Equally, foreign exchange exposure is managed through the natural hedge created by the partially offsetting currency denomination of the Group's revenues and purchases (in a mix of pounds sterling, euros and US dollars) and by use of long term foreign exchange rate contracts.

DIVIDENDS

No dividends will be distributed for the year ended 31st December 2010

FUTURE DEVELOPMENTS

In light of the strong performance of the business during 2010, Ms Hindmarch and the other Directors of the Company decided to accelerate further the business' growth strategy. As a first step in that process, Ms Hindmarch decided to consolidate her attention on the creative direction of the Company and to seek a seasoned veteran of the luxury business as Chief Executive Officer to drive and structure the business' rapid expansion.

James McArthur was appointed Chief Executive Officer of the Company in early May 2011. Mr McArthur has extensive experience with the international luxury business, and has served as President and CEO of Harrods, of Balenciaga and of Yves St Laurent, as a Director of a number of UK and international luxury businesses including Alexander McQueen and Stella McCartney, and as Executive Vice President of Gucci Group.

In order to underpin the growth strategy, a number of significant reinforcements in the organisational and operating infrastructure and work processes in the business have already been implemented as of the date of this Report. A number of significant senior hires have been made to bring in world class talent in areas such as design, retailing, product development, merchandising and digital as a supplement to the existing teams. In October 2011, the Anya Hindmarch Bespoke range was added to the e-commerce options available through the Company's website.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2010 to the date of this report.

Ms A Hindmarch
Miss L J M Ephson
Mr H J Seymour
Mr D Orteu
Mrs S E A Westerman
Miss C H Southworth
Mr S P Kearsey

Other changes in directors holding office are as follows:

Mr J McArthur was appointed as a director after 31st December 2010 but prior to the date of this report.

AUDITORS

As part of good corporate governance, the Directors intend to review regularly the appointment of the Group's auditors. The first such review is expected to take place before the end of the 2011 financial year.

**Report of the Directors
For The Year Ended 31st December 2010**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:



H J Seymour - Director

20th October 2011

**Report of the Independent Auditors to the Members of
A.S.H.S Limited**

We have audited the financial statements of A S H S Limited for the year ended 31st December 2010 on pages six to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2010 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Mark Norton (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy
Chartered Accountants
& Statutory Auditor
Bridge House
London Bridge
London
SE1 9QR

20th October 2011

A.S H.S LIMITED (REGISTERED NUMBER: 03142746)

**Consolidated Profit and Loss Account
For The Year Ended 31st December 2010**

	Notes	2010 £	2009 £
TURNOVER		20,043,113	17,877,202
Cost of sales		(8,973,309)	(8,470,681)
GROSS PROFIT		11,069,804	9,406,521
Administrative expenses		(10,133,458)	(8,859,984)
OPERATING PROFIT	3	936,346	546,537
Interest receivable and similar income		162	5,281
		936,508	551,818
Interest payable and similar charges	4	(106,601)	(164,695)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		829,907	387,123
Tax on profit on ordinary activities	5	(280,360)	(140,766)
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		549,547	246,357

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

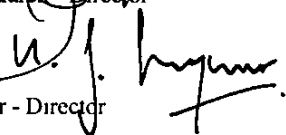
A.S H.S LIMITED (REGISTERED NUMBER: 03142746)

**Consolidated Balance Sheet
31st December 2010**

	Notes	2010 £	2009 £
FIXED ASSETS			
Intangible assets	7	1	1
Tangible assets	8	1,635,723	1,704,180
Investments	9	-	-
		<u>1,635,724</u>	<u>1,704,181</u>
CURRENT ASSETS			
Stocks	10	5,787,463	5,142,826
Debtors	11	2,291,200	2,171,073
Cash at bank and in hand		1,694,690	371,781
		<u>9,773,353</u>	<u>7,685,680</u>
CREDITORS			
Amounts falling due within one year	12	(5,006,570)	(3,422,743)
NET CURRENT ASSETS		<u>4,766,783</u>	<u>4,262,937</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,402,507</u>	<u>5,967,118</u>
CREDITORS			
Amounts falling due after more than one year	13	(56,407)	(149,393)
PROVISIONS FOR LIABILITIES	17	<u>(100,088)</u>	<u>(121,260)</u>
NET ASSETS		<u><u>6,246,012</u></u>	<u><u>5,696,465</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	67,147	67,147
Share premium	19	3,829,090	3,829,090
Profit and loss account	19	2,349,775	1,800,228
SHAREHOLDERS' FUNDS	22	<u><u>6,246,012</u></u>	<u><u>5,696,465</u></u>

The financial statements were approved by the Board of Directors on 20th October 2011 and were signed on its behalf by


Ms A Hindmarch - Director


H J Seymour - Director

The notes form part of these financial statements

A.S H.S LIMITED (REGISTERED NUMBER: 03142746)

**Company Balance Sheet
31st December 2010**

	Notes	2010 £	2009 £
FIXED ASSETS			
Intangible assets	7	1	1
Tangible assets	8	1,324,611	1,346,584
Investments	9	2	2
		<u>1,324,614</u>	<u>1,346,587</u>
CURRENT ASSETS			
Stocks	10	5,714,721	4,997,076
Debtors	11	3,817,801	3,548,663
Cash at bank		1,626,600	292,884
		<u>11,159,122</u>	<u>8,838,623</u>
CREDITORS			
Amounts falling due within one year	12	(5,005,108)	(3,421,478)
NET CURRENT ASSETS		<u>6,154,014</u>	<u>5,417,145</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,478,628</u>	<u>6,763,732</u>
CREDITORS			
Amounts falling due after more than one year	13	(56,407)	(149,393)
PROVISIONS FOR LIABILITIES	17	(97,891)	(124,247)
NET ASSETS		<u>7,324,330</u>	<u>6,490,092</u>
CAPITAL AND RESERVES			
Called up share capital	18	67,147	67,147
Share premium	19	3,829,090	3,829,090
Profit and loss account	19	3,428,093	2,593,855
SHAREHOLDERS' FUNDS	22	<u>7,324,330</u>	<u>6,490,092</u>

The financial statements were approved by the Board of Directors on 20th October 2011 and were signed on its behalf by

Ms A Hindmarch - Director

Mr H J Seymour - Director

The notes form part of these financial statements

A.S H.S LIMITED (REGISTERED NUMBER: 03142746)

**Consolidated Cash Flow Statement
For The Year Ended 31st December 2010**

	Notes	2010 £	2009 £
Net cash inflow from operating activities	1	2,171,680	685,478
Returns on investments and servicing of finance	2	(106,439)	(159,414)
Taxation		(162,970)	(23,788)
Capital expenditure	2	(504,900)	(189,967)
		<u>1,397,371</u>	<u>312,309</u>
Financing	2	(74,462)	(91,005)
Increase in cash in the period		<u>1,322,909</u>	<u>221,304</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		1,322,909	221,304
Cash outflow from decrease in debt		<u>74,462</u>	<u>88,726</u>
Change in net funds resulting from cash flows		<u>1,397,371</u>	<u>310,030</u>
Movement in net funds in the period		<u>1,397,371</u>	<u>310,030</u>
Net funds/(debt) at 1st January		<u>132,182</u>	<u>(177,848)</u>
Net funds at 31st December		<u>1,529,553</u>	<u>132,182</u>

The notes form part of these financial statements

A S H S LIMITED (REGISTERED NUMBER: 03142746)

**Notes to the Consolidated Cash Flow Statement
For The Year Ended 31st December 2010**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit	936,346	546,537
Depreciation charges	573,356	559,947
(Increase)/Decrease in stocks	(644,637)	127,944
Increase in debtors	(120,126)	(134,440)
Increase/(Decrease) in creditors	1,426,741	(414,510)
Net cash inflow from operating activities	2,171,680	685,478

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2010 £	2009 £
Returns on investments and servicing of finance		
Interest received	162	5,281
Interest paid	(106,601)	(164,695)
Net cash outflow for returns on investments and servicing of finance	(106,439)	(159,414)
Capital expenditure		
Purchase of tangible fixed assets	(504,900)	(593,100)
Sale of tangible fixed assets	-	403,133
Net cash outflow for capital expenditure	(504,900)	(189,967)
Financing		
New loans in year	100,000	-
Loan repayments in year	(174,462)	(88,728)
Depreciation charge write back	-	(2,277)
Net cash outflow from financing	(74,462)	(91,005)

The notes form part of these financial statements

A.S H.S LIMITED (REGISTERED NUMBER: 03142746)

**Notes to the Consolidated Cash Flow Statement
For The Year Ended 31st December 2010**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/10 £	Cash flow £	At 31/12/10 £
Net cash			
Cash at bank and in hand	371,781	1,322,909	1,694,690
	<u>371,781</u>	<u>1,322,909</u>	<u>1,694,690</u>
Debt			
Debts falling due within one year	(90,206)	(18,524)	(108,730)
Debts falling due after one year	(149,393)	92,986	(56,407)
	<u>(239,599)</u>	<u>74,462</u>	<u>(165,137)</u>
Total	<u>132,182</u>	<u>1,397,371</u>	<u>1,529,553</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
For The Year Ended 31st December 2010

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary undertakings) Where necessary adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group All intra-group transactions, balances, income and expenses are eliminated on consolidation

The Parent Company has not presented its own profit and loss account and related notes as permitted by Section 408 of the Companies Act 2006

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Short leasehold	- Depreciated over the period of the lease and Written off over period of lease
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction Exchange differences are taken into account in arriving at the operating result

Hire purchase and leasing commitments

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

Investments

Investments are included at cost less amounts written off Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities

Pensions

The company operates a money purchase pension scheme for certain employees The cost of the contribution is charged to the profit and loss account as incurred

2 STAFF COSTS

	2010	2009
	£	£
Wages and salaries	<u>4,138,894</u>	<u>3,605,701</u>

A.S.H S LIMITED (REGISTERED NUMBER 03142746)

**Notes to the Consolidated Financial Statements - continued
For The Year Ended 31st December 2010**

2 STAFF COSTS - continued

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

	2010	2009
Average number of employees	<u>122</u>	<u>96</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2010 £	2009 £
Other operating leases	2,325,355	2,270,717
Depreciation - owned assets	573,356	559,944
Auditors' remuneration	15,750	15,000
Auditors' remuneration for non audit work	15,000	15,000
Foreign exchange differences	<u>(9,615)</u>	<u>(1,420)</u>
Directors' remuneration	<u>557,611</u>	<u>510,631</u>

Information regarding the highest paid director is as follows

	2010 £	2009 £
Emoluments etc	<u>180,083</u>	<u>157,750</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £	2009 £
Bank interest	26,910	99,393
Interest on late tax	507	-
Other forms of financing	<u>79,184</u>	<u>65,302</u>
	<u>106,601</u>	<u>164,695</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2010 £	2009 £
Current tax		
UK corporation tax	301,162	167,940
Prior period adjustment	370	-
Total current tax	<u>301,532</u>	<u>167,940</u>
Deferred tax	<u>(21,172)</u>	<u>(27,174)</u>
Tax on profit on ordinary activities	<u>280,360</u>	<u>140,766</u>

A.S H.S LIMITED (REGISTERED NUMBER: 03142746)

Notes to the Consolidated Financial Statements - continued
For The Year Ended 31st December 2010

6 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006 the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £834,238 (2009 - £577,462)

7 INTANGIBLE FIXED ASSETS

Group

Patents
and
licences
£

COST

At 1st January 2010
and 31st December 2010

1

NET BOOK VALUE

At 31st December 2010

1

At 31st December 2009

1

Company

Patents
and
licences
£

COST

At 1st January 2010
and 31st December 2010

1

NET BOOK VALUE

At 31st December 2010

1

At 31st December 2009

1

A.S.H S LIMITED (REGISTERED NUMBER: 03142746)

**Notes to the Consolidated Financial Statements - continued
For The Year Ended 31st December 2010**

8 TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st January 2010	1,311,550	2,815,180	25,150	4,151,880
Additions	17,498	487,402	-	504,900
At 31st December 2010	1,329,048	3,302,582	25,150	4,656,780
DEPRECIATION				
At 1st January 2010	1,153,746	1,268,805	25,150	2,447,701
Charge for year	112,918	460,438	-	573,356
At 31st December 2010	1,266,664	1,729,243	25,150	3,021,057
NET BOOK VALUE				
At 31st December 2010	62,384	1,573,339	-	1,635,723
At 31st December 2009	157,804	1,546,375	-	1,704,179

Company

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st January 2010	840,260	2,396,680	25,150	3,262,090
Additions	17,498	483,402	-	500,900
At 31st December 2010	857,758	2,880,082	25,150	3,762,990
DEPRECIATION				
At 1st January 2010	682,455	1,207,901	25,150	1,915,506
Charge for year	112,918	409,955	-	522,873
At 31st December 2010	795,373	1,617,856	25,150	2,438,379
NET BOOK VALUE				
At 31st December 2010	62,385	1,262,226	-	1,324,611
At 31st December 2009	157,805	1,188,779	-	1,346,584

A S.H.S LIMITED (REGISTERED NUMBER: 03142746)

**Notes to the Consolidated Financial Statements - continued
For The Year Ended 31st December 2010**

9 FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1st January 2010	
and 31st December 2010	<u>2</u>
NET BOOK VALUE	
At 31st December 2010	<u>2</u>
At 31st December 2009	<u>2</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

ASHS USA Limited

Country of incorporation England & Wales

Nature of business Retailer of handbags and fashion accessories

	%
Class of shares	holding
Ordinary	100 00

	2010 £	2009 £
Aggregate capital and reserves	(537,112)	(301,313)
Loss for the year	<u>(235,799)</u>	<u>(185,451)</u>

ASHS East Coast Limited

Country of incorporation England & Wales

Nature of business Retailer of handbags and fashion accessories

	%
Class of shares	holding
Ordinary	100 00

	2010 £	2009 £
Aggregate capital and reserves	(541,200)	(492,312)
Loss for the year	<u>(48,888)</u>	<u>(145,654)</u>

10 STOCKS

	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Stocks	<u>5,787,463</u>	<u>5,142,826</u>	<u>5,714,721</u>	<u>4,997,076</u>

A.S.H.S LIMITED (REGISTERED NUMBER: 03142746)

**Notes to the Consolidated Financial Statements - continued
For The Year Ended 31st December 2010**

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	1,246,220	995,801	1,246,222	995,801
Amounts owed by group undertakings	-	-	1,533,333	1,396,217
Other debtors	1,044,980	1,175,272	1,038,246	1,156,645
	<u>2,291,200</u>	<u>2,171,073</u>	<u>3,817,801</u>	<u>3,548,663</u>

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans and overdrafts (see note 14)	108,730	90,206	108,730	90,206
Trade creditors	3,722,824	2,462,146	3,722,824	2,462,146
Tax	301,219	162,657	301,219	162,657
Other creditors	873,797	707,734	872,335	706,469
	<u>5,006,570</u>	<u>3,422,743</u>	<u>5,005,108</u>	<u>3,421,478</u>

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans (see note 14)	<u>56,407</u>	<u>149,393</u>	<u>56,407</u>	<u>149,393</u>

14 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Amounts falling due within one year or on demand				
Bank loans	<u>108,730</u>	<u>90,206</u>	<u>108,730</u>	<u>90,206</u>
Amounts falling due between one and two years				
Bank loans - 1-2 years	<u>56,407</u>	<u>90,206</u>	<u>56,407</u>	<u>90,206</u>
Amounts falling due between two and five years				
Bank loans - 2-5 years	<u>-</u>	<u>59,187</u>	<u>-</u>	<u>59,187</u>

A.S H S LIMITED (REGISTERED NUMBER: 03142746)

**Notes to the Consolidated Financial Statements - continued
For The Year Ended 31st December 2010**

15 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

Company

	Land and buildings		Other operating leases	
	2010	2009	2010	2009
	£	£	£	£
Expiring				
Within one year	-	114,902	243,807	-
Between one and five years	492,538	463,562	469,239	452,906
In more than five years	343,991	332,852	180,218	-
	<u>836,529</u>	<u>911,316</u>	<u>893,264</u>	<u>452,906</u>

16 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans	<u>165,137</u>	<u>-</u>	<u>165,137</u>	<u>239,599</u>

The bank loans and overdrafts are secured by a charge over all of the company's assets

17 PROVISIONS FOR LIABILITIES

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Deferred tax	<u>100,088</u>	<u>121,260</u>	<u>97,891</u>	<u>124,247</u>

Group

	Deferred tax £
Balance at 1st January 2010	121,260
Decrease in Deferred tax	<u>(21,172)</u>
Balance at 31st December 2010	<u>100,088</u>

A.S H.S LIMITED (REGISTERED NUMBER: 03142746)

**Notes to the Consolidated Financial Statements - continued
For The Year Ended 31st December 2010**

17 PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1st January 2010	124,247
Movement in provision	(26,356)
Balance at 31st December 2010	<u>97,891</u>

18 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class	Nominal value	2010 £	2009 £
45,000	Ordinary	£1	40,320	40,320
10,786	Ordinary	50p	5,393	5,393
21,434	Preferred Ordinary	£1	21,434	21,434
			<u>67,147</u>	<u>67,147</u>

The breakdown of the 50p ordinary shares is shown in the table below -

Share Type	No of shares in issue 2010	No of shares in issue 2009	2010 £	2009 £
Ordinary "A" 50p each	4,143	4,143	2,072	2,072
Ordinary "B" 50p each	4,143	4,143	2,072	2,072
Ordinary "C" 50p each	1,250	1,250	625	625
Ordinary "D" 50p each	1,250	1,250	625	625

The ordinary £1 shares are broken down into 40,319 ordinary shares and 1 Ordinary "E" share

On any return of assets on liquidation, reduction of capital or otherwise (except on a redemption or purchase by the company of any shares), the surplus assets of the company remaining after the payment of its liabilities will be applied firstly to the Preferred Ordinary shares and subsequently to the remaining Ordinary shareholders

19 RESERVES

Group

	Profit and loss account £	Share premium £	Totals £
At 1st January 2010	1,800,228	3 829,090	5,629,318
Profit for the year	549,547		549,547
At 31st December 2010	<u>2,349,775</u>	<u>3,829,090</u>	<u>6,178,865</u>

A.S.H.S LIMITED (REGISTERED NUMBER: 03142746)**Notes to the Consolidated Financial Statements - continued
For The Year Ended 31st December 2010****19 RESERVES - continued****Company**

	Profit and loss account £	Share premium £	Totals £
At 1st January 2010	2,593,855	3,829,090	6,422,945
Profit for the year	834,238		834,238
At 31st December 2010	<u>3,428,093</u>	<u>3,829,090</u>	<u>7,257,183</u>

20 RELATED PARTY DISCLOSURES

Payments have been made in the period in respect of consultancy services received during the year from M W Hindmarch, a related party by virtue of his shareholding. These payments totalled £4,885 for the year (2009 £6,840), the balance owed at the year end was £Nil (2009 £Nil)

The above transactions were undertaken in the normal course of trading

21 ULTIMATE CONTROLLING PARTY

In the opinion of the board of Directors, the ultimate controlling party is Ms A Hindmarch by virtue of her majority shareholding in A S H S Limited

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**Group**

	2010 £	2009 £
Profit for the financial year	549,547	246,357
Net addition to shareholders' funds	<u>549,547</u>	<u>246,357</u>
Opening shareholders' funds	5,696,465	5,450,108
Closing shareholders' funds	<u>6,246,012</u>	<u>5,696,465</u>

Company

	2010 £	2009 £
Profit for the financial year	834,238	577,462
Cash share issue		
Net addition to shareholders' funds	<u>834,238</u>	<u>577,462</u>
Opening shareholders' funds	6,490,092	5,912,630
Closing shareholders' funds	<u>7,324,330</u>	<u>6,490,092</u>