

**TERRA PLANA INTERNATIONAL LTD**

**DIRECTORS REPORT**

**AND**

**FINANCIAL STATEMENTS**

**AT**

**31ST DECEMBER 2006**

Presented by -

H J Hine & Co  
106 Greenwich South Street  
Greenwich  
London SE10 8UN

TUESDAY



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20/11/2007  
COMPANIES HOUSE

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# **TERRA PLANA INTERNATIONAL LTD**

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**DIRECTORS AND OTHER INFORMATION**

**DIRECTORS**

L P Clark  
C A M Bergmans  
G J D Clark

**SECRETARY**

G J D Clark

**REGISTERED OFFICE**

124 Bermondsey Street  
London Bridge  
London  
SE1 3TX

**REGISTERED NUMBER**

03474829 Registered in England

**ACCOUNTANTS**

H J Hine & Co  
106 Greenwich South Street  
Greenwich  
London  
SE10 8UN

## DIRECTORS REPORT

YEAR ENDED

31ST DECEMBER 2006

- A) The Directors present their report and the financial statements for the financial year ended 31ST DECEMBER 2006
- B) The Directors confirm that the financial statements are representative of the state of affairs of the Company

## PRINCIPAL ACTIVITY

The principal activity of the Company has been that of designing and marketing shoes, there has been no significant change in this during the year

## REVIEW OF THE BUSINESS

The Company enjoyed profits of 12490 69 after taxation and it is proposed that this be dealt with as follows

Dividend	0 00
Transfer to reserves	12490 69
	<hr/>
	12490 69
	=====

## DIVIDEND

The directors confirm that no dividend will be paid for the financial year

## FIXED ASSETS

The movements in fixed assets are given in note 3a & 3b to these Financial Statements on Page 7

## DIRECTORS &amp; THEIR INTERESTS IN SHARES

The Directors of the Company during the year, and their respective share holdings, were as follows -

	Ordinary Shares	
	at 01 01 2006	at 31 12 2006
L P Clark	60000	100000
C A M Bergmans	30000	50000
G J D Clark	30000	750000

The above report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies

Signed on behalf of the board of directors



G J D Clark

Director

Approved by the board  
6th July 2007

## STATEMENT OF DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period 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,
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records 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.

## PROFIT &amp; LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2006

			Notes	2006	2005
<b>TURNOVER</b>	-	continuing operations	1c	1117500 01	822707
Cost of Sales				-420835 65	-222101
<b>GROSS PROFIT</b>	-			696664 36	600606
Distribution costs				-50230 38	-21569
Administration expenses (net)				-620207 48	-438685
<b>OPERATING PROFIT -</b>		continuing operations	2	26226 50	140352
Interest payable and similar charges				-13735 81	-20696
<b>PROFIT ON ORDINARY ACTIVITIES</b>				12490 69	119656
before taxation					
<b>TAXATION</b>				0 00	0
<b>PROFIT</b>	-	for the financial year after taxation		12490 69	119656
<b>DIVIDENDS</b>	-	paid or proposed		0 00	0
<b>RETAINED PROFIT -</b>		for the financial year		12490 69	119656
<b>RETAINED LOSS</b>	-	1st January 2006		-2676023 34	-2795679
<b>RETAINED LOSS</b>	-	31ST DECEMBER 2006		-2663532 65	-2676023

**CONTINUING OPERATIONS**

Turnover and operating profit derived wholly from continuing operations

**TOTAL RECOGNISED GAINS & LOSSES**

The Company has no recognised gains or losses other than the profits for the current period

The notes form part of these financial statements

## BALANCE SHEET

AS AT 31ST DECEMBER 2006

	Notes		2005
<b>FIXED ASSETS</b>			
Intangible Assets	3a	53628 48	53628
Tangible Assets	3b	21996 00	7792
		<u>75624 48</u>	<u>61420</u>
<b>CURRENT ASSETS</b>			
Stocks		292677 89	28871
Debtors - Trade Debtors		314330 59	85653
Debtors - Other Debtors		638615 07	328552
Cash at Bank and in Hand		109331 76	52292
		<u>1354955 31</u>	<u>495368</u>
<b>CREDITORS - Due within one year -</b>			
Trade Creditors		316257 86	201166
Other Creditors including Taxation and Social Security	4	40147 97	70225
Bank loans & overdrafts		16385 39	94240
		<u>372791 23</u>	<u>365631</u>
<b>NET CURRENT ASSETS</b>			
		<u>982164 09</u>	<u>129737</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>1057788 57</u>	<u>191157</u>
<b>CREDITORS - Due after more than one year -</b>			
	5	-2721321 22	-2747181
		<u>-1663532 65</u>	<u>-2556023</u>
<b>CAPITAL &amp; RESERVES</b>			
Called up Share Capital	6	1000000 00	120000
Reserves		-2663532 65	-2676023
<b>SHAREHOLDERS' FUNDS</b>			
	7	<u>-1663532 65</u>	<u>-2556023</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities

These financial statements have not been audited because the company is entitled to the exemption provided by s249A(1) Companies Act 1985 and members have not required the company to obtain an audit of its financial statements for the period in accordance with s249B(2)

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with s221 Companies Act 1985. The directors also acknowledge their responsibilities for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with s266 Companies Act 1985, and which otherwise comply with the requirements of that Act relating to financial statements, so far as applicable to the company.

Signed on behalf of the board of directors

  
L P Clark

Approved by the board 6th July 2007

Director

**1. ACCOUNTING POLICIES**

- a BASIS OF ACCOUNTING**  
These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities and the Companies Act 1985
- b CASH FLOW**  
The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement.
- c TURNOVER**  
Turnover represents the total invoice value, excluding value added tax of sales and services ( less refunds ) rendered during the year
- d INTANGIBLE FIXED ASSETS**  
No depreciation has been provided on the intangible assets
- e TANGIBLE FIXED ASSETS**  
Depreciation is provided at the following annual rates in order to write off each asset (less residual value) over its estimated useful life -  
Land & buildings Leasehold 12.5% p a on cost  
Fixtures, fittings & Equipment 33% p a on the reducing balance
- f FOREIGN CURRENCY TRANSLATION**  
Monetary assets & liabilities denominated in foreign currencies are converted into sterling at the rates of exchange existant at the balance sheet date. Transactions in foreign currencies are converted at a rate fixed monthly throughout the accounting year. Exchange differences are written off to profit & loss account at the year end
- g DEFERRED TAXATION**  
There are no timing differences which give rise to either a potential future liability or future asset in respect of taxation liabilities

	Note	2005
<b>2 OPERATING PROFIT</b>		
Operating Profit is stated after crediting / charging -		
Directors Emoluments		0 00
Management Charges (net)		91506 59
Depreciation	1e	10382 62
Accountants remuneration		3579 67
		<u>105468 88</u>
		<u>=====</u>
		<u>-13098</u>
		<u>=====</u>



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED

31ST DECEMBER 2006

## 3a. INTANGIBLE ASSETS

1d

		Cost	Depn	Net
<b>Goodwill</b>				
Balance at	1st January 2006	53628 48	0 00	53628 48
Additions / Disposals		0 00		0 00
Net Book Value at	31ST DECEMBER 2006	53628 48	0 00	53628 48
Net Book Value at	1st January 2006	53628 48	0 00	53628 48

## 3b. TANGIBLE ASSETS

1e

<b>Land &amp; buildings leasehold</b>				
Balance at	1st January 2006	3720 00	1395 00	2325 00
Additions / Disposals		0.00		0 00
Depreciation			465 00	-465 00
Balance at	31ST DECEMBER 2006	3720 00	1860 00	1860 00
<b>Fixtures, fittings &amp; equipment</b>				
Balance at	1st January 2006	15839 11	10372 11	5467 00
Additions		24586 62		24586 62
Depreciation			9917 62	-9917 62
Balance at	31ST DECEMBER 2006	40425 73	20289 73	20136 00
Net Book Value at	31ST DECEMBER 2006	44145 73	22149 73	21996 00
Net Book Value at	1st January 2006	19559 11	11767 11	7792 00

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED

31ST DECEMBER 2006

Note

2005

**4. CREDITORS - Amounts falling due within one year**

Other creditors including Taxation &amp; Social Security

Value Added Tax

PAYE and NI due

Sundry Creditors

0 00

6386 97

33761 00

40147 97

=====

1922

4541

63762

70225

=====

**5. CREDITORS - Amounts falling due after more than one year**

Bank loans

Other Creditors

98634 22

2622687 00

2721321 22

=====

121066

2626114

2747181

=====

**6 CALLED UP SHARE CAPITAL**

Authorised

1000000 Ordinary Shares of £1 each

1000000 00

=====

120000

=====

Allotted, called up &amp; fully paid

1000000 Ordinary Shares of £1 each

1000000 00

=====

120000

=====

**7. SHAREHOLDERS FUNDS**

Analysis of shareholders funds

Equity

-1663532 65

=====

-2556023

=====

Reconciliation of movements on shareholders' funds

Share issue

880000 00

Profit / Loss for the financial year after taxation

12490 69

Dividends

0 00

=====

0

119656

0

=====

892490 69

-2556023 34

=====

119656

-2675679

=====

Opening shareholders funds at

1st January 2006

Closing shareholders funds at

31ST DECEMBER 2006

-1663532 65

=====

-2556023

=====

**7 COMMITMENTS OF DIRECTORS**

The bank loan is secured by a charge over the personal assets of G J D Clark  
a director of the company

**8. RELATED PARTY TRANSACTIONS**

Included in sundry &amp; trade (net) debtors are amounts due from -

United Nude Ltd

587233 94 (2005 £303220)

of which G J D Clark is a director and shareholder

Included in other &amp; trade (net) creditors are amounts due to -

G J D Clark a director of the company

1660372 51 (2005 £1659689)

L P Clark a director of the company

839798 37 (2005 £880233)

## TRADING &amp; PROFIT &amp; LOSS ACCOUNT

YEAR ENDED

31ST DECEMBER 2006

		2005
<b>SALES</b>	951740 50	477848
<b>Less</b> Purchases	147167 89	97188
Design Fees & Royalty	14486 70	81585
Commissions	64582 98	0
Storage, Warehousing & Freight	194598 08	43329
	<u>-420835 65</u>	<u>-222101</u>
<b>GROSS PROFIT</b>	530904 85	255746
<b>Add</b> Sundry Income -		
Design Service Income	144574 51	241358
Management Charges	21185 00	17283
Other Income & Commissions	46250 00	86219
	<u>212009 51</u>	<u>344859</u>
<b>Less</b> Distribution Costs -		
Advertising & Promotions	14890.45	4964
Marketing & Exhibitions	33499 93	14206
Public Relations	1840 00	2400
	<u>-50230 38</u>	<u>-21569</u>
<b>Less</b> Administrative Costs -		
Development	18199 36	1066
Wages, Salaries & Staff Welfare	191289 17	144247
Management Charges	112691 59	0
Rent, Rates, Water & Waste	90095 75	36746
Light & Heat	760 88	760
Insurance	4713 14	918
Communications & I T	36914 28	22325
Repairs & Maintenance	6371 44	0
Travel & Entertaining	36413 91	52215
Motor Expenses	2266 59	4348
Sundry Expenses	79 98	2290
Management Consultancy	29378 19	50880
Legal & Professional	35534 35	24234
Accountancy	3579 67	988
Bank Charges	36751 89	30120
Profit / Loss on Foreign Exchange	19135 91	-21598
Debt Management & Bad & Doubtful Debts	31898 76	85950
Depreciation - Land & Buildings Leasehold	465 00	465
Depreciation - Fixtures Fittings & Equipment	9917 62	2732
	<u>-666457 48</u>	<u>-438685</u>
<b>OPERATING PROFIT</b>	26226 50	140352
Interest Payable - Bank interest paid	-13735 81	-20696
<b>PROFIT FOR YEAR</b>	<u>12490 69</u>	<u>119656</u>

This page does not form part of the statutory financial statements