

COMPANY NO. 4476094

RENA LANGE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2009



P R Hartley
Chartered Accountant
PO Box 27075
LONDON N2 0FZ

RENA LANGE LIMITED

DIRECTOR

D Gunthert

SECRETARY

Gertraud Braeunig

REGISTERED OFFICE

12 Grafton Street
LONDON
W1S 4ER

AUDITOR

P R Hartley
Chartered Accountant
PO Box 27075
LONDON N2 0FZ

PRINCIPAL BANKERS

Lloyds TSB Bank plc
190 Great Portland Street
LONDON
W1W 5QZ

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FOR THE YEAR ENDED 30 APRIL 2009

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REPORT OF THE DIRECTOR

The Director presents his report and audited financial statements for the year ended 30 April 2009.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is that of ladies fashion retailers.

During the current year, the company incurred a further loss. Nonetheless the directors are satisfied with the results for the year and the financial position at the balance sheet date. There have been no significant events that would affect the accounts since the year end.

DIVIDEND AND TRANSFER TO RESERVES

The director does not recommend the payment of a dividend.
It is proposed that the retained loss of £160,924 be transferred to reserves.

DIRECTOR

The director who served during the period 1 May 2008 to the date of this report was as follows:

D Gunthert

DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and the Profit or Loss of the Company for that 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).

In preparing these 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;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 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.

RENA LANGE LIMITED

DIRECTORS' RESPONSIBILITIES*(continued)*

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

- so far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) 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.

SMALL COMPANY

The director's report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

AUDITOR

P R Hartley was appointed auditor to the company and is willing to be reappointed in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD


D Gunther
Director

Dated: 12 June 2009

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
RENA LANGE LIMITED**

I have audited the financial statements of Rena Lange Limited which comprise the Balance Sheet, Profit and Loss Account, Cash Flow Statement and related notes. 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 Section 495 and 496 of the Companies Act 2006. My audit work has been undertaken so that I might state to the company's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to any one other than the company and the company's members as a body, for my audit work, for this report, or for the opinions I have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Statement of Director's Responsibilities, the Company's Director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

My responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practices Board's (APB'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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements.

Opinion on the financial statements

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the company as at 30 April 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been properly prepared in accordance with the Companies Act 2006.

Emphasis of matter – Going concern

In forming my opinion on the financial statements, which is not qualified, I have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £160,924 during the year ended 30 April 2009 and, at that date, the company's current liabilities exceeded its total assets by £978,951. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

RENA LANGE LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
RENA LANGE LIMITED**

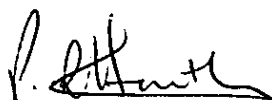
Opinion on other matter prescribed by the Companies Act 2006

In my opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I am required to report by exception

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit
- have not been received from branches not visited by me; or
- the financial statements are not in agreement with the accounting records and
- returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all the information and explanations I require for my audit.



P R HARTLEY
Chartered Accountant
Statutory Auditor

PO Box 27075
LONDON N2 0FZ

Date: 27 July 2009

RENA LANGE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2009

	Notes	2009	2008
		£	£
TURNOVER		618,633	585,809
Cost of sales		(378,804)	(361,299)
GROSS PROFIT		239,829	224,510
Administrative expenses		(401,556)	(401,452)
Other Income		500	-
OPERATING LOSS	3	(161,227)	(176,942)
Interest receivable	4	303	988
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(160,924)	(175,954)
Tax on loss on ordinary activities	7	-	-
LOSS FOR THE FINANCIAL YEAR	14	(160,924)	(175,954)

There were no changes in the Company's activities during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 8 to 13 form part of these financial statements.

RENA LANGE LIMITED

BALANCE SHEET AS AT 30 APRIL 2009

	Note	2009	2008
		£	£
FIXED ASSETS			
Intangible assets	8	13,708	17,208
Tangible Assets	9	161,139	198,615
		<u>174,847</u>	<u>215,823</u>
CURRENT ASSETS			
Stocks	10	149,329	98,257
Debtors	11	77,859	73,474
Cash at Bank and in Hand		18,140	12,548
		<u>245,328</u>	<u>184,279</u>
CREDITORS: Amounts			
Falling due within one year	12	(1,399,126)	(1,218,129)
		<u></u>	<u></u>
NET CURRENT LIABILITIES		<u>(1,153,798)</u>	<u>(1,033,850)</u>
TOTAL ASSETS LESS			
CURRENT LIABILITIES		<u>(978,951)</u>	<u>(818,027)</u>
CAPITAL AND RESERVES			
Called up Share Capital	13	100	100
Profit & Loss Account	14	(979,051)	(818,127)
SHAREHOLDERS' FUNDS	15	<u>(978,951)</u>	<u>(818,027)</u>

The financial statements were approved
by the board on 12 June 2009 and
signed on its behalf by

D Gunthert.....Director

The notes on pages 8 to 13 form part of these financial statements.

RENA LANGE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2009

	Note	2009	2008
		£	£
CASH FLOW FROM OPERATING ACTIVITIES	16	5,706	116,105
RETURN ON INVESTMENTS AND SERVICING OF FINANCE	17	303	988
CAPITAL EXPENDITURE	17	(417)	(183,323)
		<u>5,592</u>	<u>(66,230)</u>
INCREASE/(DECREASE) IN CASH IN THE YEAR	18	<u>5,592</u>	<u>(66,230)</u>

**RECONCILIATION OF NET CASH FLOW
TO MOVEMENT IN NET FUNDS**

INCREASE/(DECREASE) IN CASH IN THE YEAR	18	5,592	(66,230)
Change in net funds resulting from cash flows		<u>5,592</u>	<u>(66,230)</u>
Movement in net funds in the year	18	<u>5,592</u>	<u>(66,230)</u>
Net funds at 30 April 2008		12,548	78,778
Net funds at 30 April 2009	18	<u>18,140</u>	<u>12,548</u>

The notes on pages 8 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2009**

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold during the year. All turnover arose from goods initially sold within the European Union. Some of the goods sold were taken overseas by customers and tourists from outside the European Union.

1.3 GOODWILL

Goodwill arising on the acquisition of the business represents the excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired. Goodwill is capitalised and written off on a straight line basis over its useful economic life, which is 10 years. Provision is made for any impairment.

1.4 DEPRECIATION

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Leasehold properties	Straight line over the 10 year term of the lease
Computers	25% Straight Line
Equipment	33 1/3% Straight Line
Fixtures and Fittings	Straight line over the remaining term of the lease

1.5 STOCKS

Stocks are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

1.6 DEFERRED TAXATION

Deferred taxation is recognised as a liability or asset if transactions or events that give the company an obligation to pay more tax or a right to pay less tax in the future have occurred by the balance sheet date in accordance with FRS 19. A deferred tax asset is not recognised to the extent that the transfer of economic benefit in future is uncertain.

1.7 FOREIGN EXCHANGE

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the profit and loss account.

1.8 LEASING AND HIRE PURCHASE

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2009**

1. ACCOUNTING POLICIES(continued)

1.9 PENSIONS

Pension contributions are charged to the profit and loss account as incurred. These contributions are invested separately from the company's assets.

2. GOING CONCERN

Since the company was established and commenced trade, it has made cumulative losses amounting to £979,051. The Director estimates that the company will make a further loss of £100,000 in the year to 30 April 2010. The director and management are taking actions to reduce costs and achieve increased sales and based on projections and forecasts, the directors are confident about the future prospects for the company.

The ultimate parent company has provided working capital to the company in the period since the commencement of trade in April 2003 to enable the company to meet its liabilities as they fall due, and has given undertakings to continue to do so for the period of at least twelve months from the date of approval of these accounts.

The director and management consider that, in the absence of clear indications that the company will not be able to continue to trade for the foreseeable future, the going concern basis is appropriate to the preparation of these accounts. The financial statements do not include any adjustments that would result should the company be unable to continue to trade.

2. TURNOVER

	2009 £	2008 £
<u>Analysis by:-</u>		
Geographical market		
United Kingdom	508,177	473,662
Non European Union	110,456	112,147
	<u>618,633</u>	<u>585,809</u>

3. OPERATING LOSS

	2009 £	2008 £
The operating loss is stated after charging:-		
Depreciation	37,893	39,288
Amortisation	3,500	3,500
Auditor's remuneration		
-Audit fee	3,500	3,750
-Bookkeeping, management accounts & consultancy	11,379	11,115
Operating lease rentals:		
Land and buildings	92,316	100,090

In common with many other businesses of our size and nature, we used our auditors to perform bookkeeping services during the year and prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2009**

4. INTEREST RECEIVABLE

	2009	2008
	£	£
Bank and other interest receivable	303	988
	<u>=====</u>	<u>=====</u>

5. DIRECTORS AND EMPLOYEES

	2009	2008
	£	£
Staff costs:		
Wages and Salaries	125,587	121,771
Social security costs	10,513	10,415
Other pension costs	10,412	10,039
	<u>146,512</u>	<u>142,225</u>
	<u>=====</u>	<u>=====</u>

The director did not receive any remuneration for his services in the year (2008: no remuneration)

The average number of employees (excluding the director) during the year was made up as follows:

	Number	Number
Sales	7	6
	<u>=====</u>	<u>=====</u>

6. PENSION COSTS

The company operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company amounted to £10,412 (2008 - £10,039). All contributions were paid in the year.

7. TAX ON LOSS ON ORDINARY ACTIVITIES

At the balance sheet date the company has estimated losses of £935,770 to be carried forward against future trading profits.

8. INTANGIBLE ASSETS

	Goodwill
	£
<u>Cost</u>	
At 1 May 2008 and	
30 April 2009	<u>35,000</u>
<u>Depreciation</u>	
At 1 May 2008	17,792
Charge for the year	<u>3,500</u>
At 30 April 2009	<u>21,292</u>
<u>Net book value at</u>	
<u>30 April 2008</u>	<u>£17,208</u>
<u>Net book value at</u>	
<u>30 April 2009</u>	<u>£13,708</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2009**

9. TANGIBLE ASSETS

	Fixtures, Fittings & Equipment £	Land & Buildings £	Total £
<u>Cost</u>			
At 1 May 2008	202,385	85,000	287,385
Additions in the year	417	-	417
At 30 April 2009	<u>202,802</u>	<u>85,000</u>	<u>287,802</u>
<u>Depreciation</u>			
At 1 May 2008	45,562	43,208	88,770
Charge for the year	29,393	8,500	37,893
At 30 April 2009	<u>74,955</u>	<u>51,708</u>	<u>126,663</u>
<u>Net book value at 30 April 2008</u>	<u>156,823</u>	<u>41,792</u>	<u>198,615</u>
<u>Net book value at 30 April 2009</u>	<u>127,847</u>	<u>33,292</u>	<u>161,139</u>

	2009 £	2008 £
Analysis of net book value of land and buildings:		
Short leasehold	<u>33,292</u>	<u>41,792</u>

10. STOCKS

	2009 £	2008 £
Finished goods and goods for resale	<u>149,329</u>	<u>98,257</u>

11. DEBTORS

	2009 £	2008 £
Trade debtors	25,088	14,731
Other debtors	-	6,419
Prepayments and accrued income	52,771	52,324
	<u>77,859</u>	<u>73,474</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Trade creditors	907,393	774,291
Amounts owed to group undertakings	464,308	436,424
Taxes and social security costs	21,999	2,484
Accruals and deferred income	5,426	4,930
	<u>1,399,126</u>	<u>1,218,129</u>

Included in trade creditors are amounts due to group undertakings of £874,282 (2008-£709,287).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2009**

13. SHARE CAPITAL

	2009 £	2008 £
Authorised Equity Interests: Ordinary shares of £1 each	1,000	1,000
Allotted called up and fully paid Equity Interests: Ordinary shares of £1 each	100	100

14. PROFIT AND LOSS ACCOUNT

	2009 £	2008 £
Accumulated losses at 30 April 2008	(818,127)	(642,173)
Loss for the financial year	(160,924)	(175,954)
Accumulated losses at 30 April 2009	(979,051)	(818,127)

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Loss for the financial year	(160,924)	(175,954)
Shareholders' funds at 1 May 2008	(818,027)	(642,073)
Shareholders' funds at 30 April 2009	(978,951)	(818,027)
Represented by; Equity interests	(978,951)	(818,027)

**16. RECONCILIATION OF OPERATING LOSS
TO OPERATING CASH FLOWS**

	2009 £	2008 £
Operating loss	(161,227)	(176,942)
Depreciation	37,893	39,288
Amortisation	3,500	3,500
Increase in stocks	(51,072)	(25,315)
Increase in debtors	(4,385)	67,753
Increase in creditors	180,997	207,821
Cash flow from operating activities	5,706	116,105

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2009**

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2009	2008
	£	£
Returns on investments and servicing of finance		
Interest received	303	988
	<hr/>	<hr/>
Net cash inflow from returns on investments		
And servicing of finance	303	988
	<hr/>	<hr/>
Capital expenditure		
Purchase of tangible fixed assets	(417)	(183,323)
	<hr/>	<hr/>
	(417)	(183,323)
	<hr/>	<hr/>

18. ANALYSIS OF NET FUNDS

	2009			
	Beginning Of Year	Cashflow	Other Movements	End Of Year
Cash at bank and in hand	12,548	5,592	-	18,140
	<hr/>	<hr/>	<hr/>	<hr/>
	12,548	5,592	-	18,140

19. CONTROL

Throughout the year, the company was under the control of Mr D Gunthert the managing director and majority shareholder of the parent company.

20. RELATED PARTY DISCLOSURES

The company is related to a number of companies by virtue of being part of the group controlled by the ultimate parent company, M.Lange & Co GmbH. During the year the company purchased goods amounting to £342,878 (2008-£371,996) from its parent company and fellow subsidiaries on normal commercial terms. At the balance sheet date the company owes £464,308 (2008-£436,424) to its parent and fellow subsidiary companies and also included in trade creditors are amounts due to the group of £874,282 (2008-£709,287).

21. CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 April 2009.

22. ULTIMATE HOLDING COMPANY

The ultimate holding company is M.Lange & Co GmbH, a company registered in Germany. Copies of its accounts are available from: M.Lange & Co GmbH, Lindberghstrasse 3, 80939 Munich, Germany.

23. REVENUE COMMITMENTS

The company has a lease agreement for its shop premises from 29 September 1998 for 15 years to 22 February 2013 in the sum of £60,000 per annum. The rent was reviewed on 29 September 2003 and is currently set at £90,000 per annum.