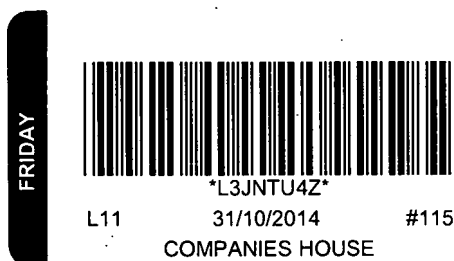


Report of the Director and
Financial Statements for the Year Ended 31 December 2013
for
ADD Mikkelsen UK Limited



823 SALISBURY HOUSE, 29 FINSBURY CIRCUS, LONDON EC2M 5QQ. TELEPHONE: +44 (0)20 7256 8800. FACSIMILE: +44 (0)20 7588 3531.
WWW.KROGHANDPARTNERS.COM

Associated with RSM.

Authorised in the UK by the Institute of Chartered Accountants in England and Wales to carry on audit.

Associated offices in

LONDON

COPENHAGEN

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for the Year Ended 31 December 2013

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DIRECTOR:

K Mikkelsen

REGISTERED OFFICE:

823 Salisbury House
29 Finsbury Circus
London
EC2M 5QQ

REGISTERED NUMBER:

04032278 (England and Wales)

AUDITORS:

Krogh & Partners Limited, (Statutory Auditor)
823 Salisbury House
29 Finsbury Circus
London
EC2M 5QQ

Report of the Director
for the Year Ended 31 December 2013

The Director presents his report and financial statements for the year ended 31 December 2013.

PRINCIPAL ACTIVITY

The principal activity of the Company has been production and sale of clothes and accessories.

REVIEW OF BUSINESS

The results for the year and the financial position at the year end, were considered satisfactory by the director.

DIRECTOR

The Director who served the company throughout the year was as follows:

Keld Mikkelsen

RESULTS

The company's loss for the year amounted to GBP 186,967 GBP.

POST BALANCE SHEET EVENTS

No post balance sheet events have occurred since 31 December 2013 which requires reporting or disclosing in the accounts.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

The director of the company who held office at the date of approval of this Annual Report as set out beneath confirms that:

- So far as he 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
- He has taken all the steps that he ought to have taken as 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.

AUDITORS

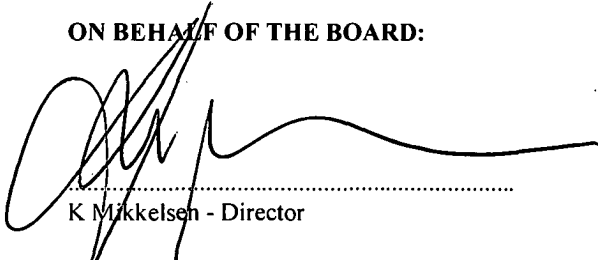
Krogh & Partners Limited, Chartered Accountants & Registered Auditors have signified their willingness to continue in office. A resolution to re-appoint them will be proposed at the Annual General Meeting.

ADD Mikkelsen UK Limited

Report of the Director
for the Year Ended 31 December 2013

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

.....
K Mikkelsen - Director

Date: 2014-10-29

Report of the Independent Auditors to the Members of
ADD Mikkelsen UK Limited

We have audited the financial statements of ADD Mikkelsen UK Limited for the year ended 31 December 2013 on pages five to eleven. 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 director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 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. In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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 prepared in accordance with the requirements of the Companies Act 2006.

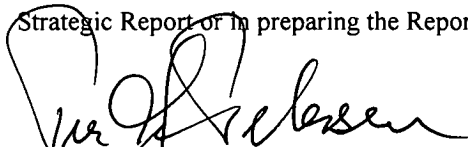
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Director 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, or returns adequate for our audit have not been received from branches not visited by us; 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
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.



Per Krogh Petersen (Senior Statutory Auditor)
for and on behalf of Krogh & Partners Limited, (Statutory Auditor)

823 Salisbury House
29 Finsbury Circus

London
EC2M 5QQ

Date: 29/10 2014

Profit and Loss Account
for the Year Ended 31 December 2013

	Notes	31.12.13 £	31.12.12 £
TURNOVER	2	2,329,140	3,158,288
Cost of sales		635,541	928,963
GROSS PROFIT		1,693,599	2,229,325
Administrative expenses		1,879,793	2,365,877
OPERATING LOSS	5	(186,194)	(136,552)
Interest payable and similar charges	6	773	6,885
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(186,967)	(143,437)
Tax on loss on ordinary activities	7	-	310,000
LOSS FOR THE FINANCIAL YEAR		(186,967)	(453,437)

CONTINUING OPERATIONS

All items dealt with in arriving at the loss on ordinary activities before taxation relate to continuing activities.

There is no difference between the loss on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents

The accompanying accounting policies and notes form an integral part of these financial statements.

TOTAL RECOGNISED GAINS AND LOSSES

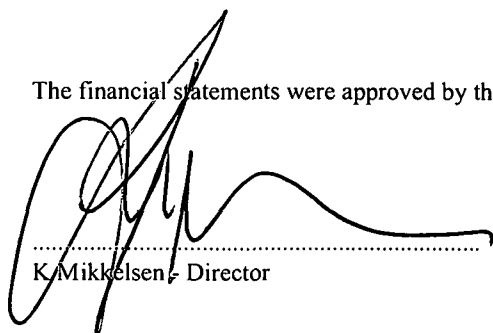
The company has no recognised gains or losses other than the losses for the current year or previous year.

Balance Sheet

31 December 2013

	Notes	31.12.13 £	£	31.12.12 £	£
FIXED ASSETS					
Tangible assets	8		2,978		50,192
CURRENT ASSETS					
Stocks	9	113,567		249,801	
Debtors	10	521,275		451,169	
Cash at bank		78,882		178,739	
		<u>713,724</u>		<u>879,709</u>	
CREDITORS					
Amounts falling due within one year	11	264,703		290,935	
		<u>264,703</u>		<u>290,935</u>	
NET CURRENT ASSETS			449,021		588,774
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>451,999</u>		<u>638,966</u>
CAPITAL AND RESERVES					
Called up share capital	12		2,040,936		2,040,936
Profit and loss account	13		(1,588,937)		(1,401,970)
			<u>451,999</u>		<u>638,966</u>
SHAREHOLDERS' FUNDS	14		<u>451,999</u>		<u>638,966</u>

The financial statements were approved by the director on 29/10-2014 and were signed by:


K. Mikkelsen - Director

Notes to the Financial Statements
for the Year Ended 31 December 2013

1. **ACCOUNTING POLICIES**

Accounting basis and standards

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A Summary of the more important accounting policies, which have been applied consistently, is set out below:

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover derives from the principal activity of the Company and is represented by invoiced sales excluding Value Added Tax.

Tangible assets

Tangible assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided at the following annual rates over the expected useful lives of the assets:

Computer equipment	40%
Fixtures and fittings	33.33%

Stocks

Stocks are valued at the lower of cost and net realisable value, having considered the age and condition of the stocks and level of specification. Provision is made as appropriate for any stock lines that are believed to be slow moving or obsolete.

Deferred tax

Provision is made for deferred taxation, using the liability method, in respect of all timing differences that have originated but not reversed by the balance sheet date, except where these are permanent differences.

Deferred taxation is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded using a fixed rate of exchange. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Gains or losses on translation are included in the profit and loss account.

Interest and similar income and charges

Interest and similar income and charges are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Debtors

Debtors are valued individually and there are made provision according to this valuation.

Creditors

Creditors are carried at payment or settlement amounts. Where the time value of money is material, creditors are carried at amortised cost.

2. **TURNOVER**

Turnover is attributable to the one principal activity of the company which arose wholly in the United Kingdom.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

3. EMPLOYEE INFORMATION

The average number of persons employed by the company (including directors) during the year was:

	31.12.13	31.12.12
Selling and distribution	40	39
administration	3	3
	<u>43</u>	<u>42</u>

Their total remuneration was:

Wages and salaries	787,595	884,642
Social security costs	60,564	69,251
	<u>848,159</u>	<u>953,893</u>

4. DIRECTORS' EMOLUMENTS

	31.12.13	31.12.12
	£	£
Director's remuneration	-	-
	<u>-</u>	<u>-</u>

5. OPERATING LOSS

The operating loss is stated after charging:

	31.12.13	31.12.12
	£	£
Depreciation - owned assets	47,214	58,538
Auditors' remuneration	8,000	8,000
	<u>55,214</u>	<u>66,538</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.13	31.12.12
	£	£
Interest payable	773	5,485
Loans owed to parent company	-	1,400
	<u>773</u>	<u>6,885</u>

7. TAXATION

Analysis of the tax charge

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

	31.12.13	31.12.12
	£	£
Deferred tax:		
Reduction as a result of changed Corporation Tax Rate	0	0
Adjustment regarding prior year	0	310,000
Change in deferred tax	0	0
	<u>0</u>	<u>310,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

8. **TANGIBLE FIXED ASSETS**

	Tangible assets £
COST	
At 1 January 2013	
and 31 December 2013	270,587
DEPRECIATION	
At 1 January 2013	220,395
Charge for year	47,214
At 31 December 2013	267,609
NET BOOK VALUE	
At 31 December 2013	2,978
At 31 December 2012	50,192

9. **STOCKS**

	31.12.13 £	31.12.12 £
Stocks	113,567	249,801

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.13 £	31.12.12 £
Trade debtors	257,248	445,893
Current account parent company	243,997	-
Other debtors	150	887
Prepayments	19,880	4,389
	521,275	451,169

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.13 £	31.12.12 £
Trade creditors	21,684	443
Current account parent company	-	74,934
PAYE	35,347	15,151
VAT	51,918	81,109
Other creditors	155,754	119,298
	264,703	290,935

12. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.13 £	31.12.12 £
2,040,936	Ordinary	1	2,040,936	2,040,936

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

13. **RESERVES**

	Profit and loss account £
At 1 January 2013	(1,401,970)
Deficit for the year	(186,967)
	<hr/>
At 31 December 2013	(1,588,937)
	<hr/> <hr/>

14. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31.12.13 £	31.12.12 £
Loss for the financial year	(186,967)	(453,437)
	<hr/>	<hr/>
Net reduction of shareholders' funds	(186,967)	(453,437)
Opening shareholders' funds	638,966	1,092,403
	<hr/>	<hr/>
Closing shareholders' funds	451,999	638,966
	<hr/> <hr/>	<hr/> <hr/>

15. **FUTURE FINANCIAL COMMITMENTS**

Operating leases

At 31 December 2013 the company had annual commitments under operating leases as set out below:

	Land and buildings	Land and buildings
	31.12.13 £	31.12.12 £
Operating leases which expire:		
within on year	6,666	-
in the second to fifth year	-	40,000
after five years	-	-
	<hr/>	<hr/>
	6,666	40,000
	<hr/> <hr/>	<hr/> <hr/>

16. **CONTINGENT LIABILITIES**

At 31 December 2013 the Company had contingent liabilities relating to concession agreements amounting to GBP 131K (2012: GBP 297K).

17. PARENT UNDERTAKINGS AND RELATED PARTY TRANSACTIONS

Under FRS8 the company is exempt from disclosing transactions and balances with other group companies, as it is 100% owned by the group and its results are included in the group accounts.

ADD Mikkelsen A/S is the parent of the smallest and largest group of which the company is a member and for which group accounts are drawn up.

A copy of ADD Mikkelsen A/S group accounts can be obtained from

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2100 Copenhagen O
Denmark