

A.A. FASHION SERVICE LIMITED

FINANCIAL ACCOUNTS FOR THE PERIOD
FROM 9TH NOVEMBER 2006 TO 30TH NOVEMBER 2007

| | |
|-------------------|--|
| DIRECTORS | Mr Alessandro Ciceri |
| SECRETARY | Mr Aladino Amista |
| REGISTERED OFFICE | C/O G Teoli & Co Northway House 1379 High Road London N20 9LP |
| REGISTERED NUMBER | 5993789 |

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The following pages do not form part of the Statutory Accounts

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A.A. FASHION SERVICE LIMITED
REPORT OF THE DIRECTORS

FOR THE PERIOD FROM 9TH NOVEMBER 2006 TO 30TH NOVEMBER 2007

The directors present their annual report with the accounts of the company for the period ended 30th November 2007

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of wholesale ladies fashion

DIRECTORS

The directors in office in the period and their beneficial interests in the company's issued ordinary share capital were as follows

Ordinary Shares of £1 each
2007

Mr Alessandro Ciceri

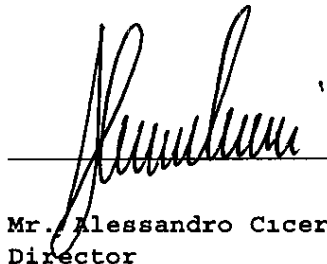
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SMALL COMPANY EXEMPTIONS

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

The accounts on pages 2 to 4 have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Approved and signed by the sole director on 4th July 2008:



Mr. Alessandro Ciceri
Director

A.A. FASHION SERVICE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 9TH NOVEMBER 2006 TO 30TH NOVEMBER 2007

| | <u>Notes</u> | <u>2007</u> |
|--|--------------|----------------------|
| | | £ £ |
| TURNOVER | 2 | 14,332 |
| Cost of Sales | | 3,466 |
| | | <hr/> |
| <u>GROSS PROFIT</u> | | 10,866 |
| Net Operating Expenses | | |
| Administrative Expenses | | 4,711 |
| | | <hr/> |
| <u>OPERATING PROFIT</u> | 3 | 6,155 |
| | | <hr/> |
| | | 6,155 |
| Income from Investments | 4 | 5 |
| | | <hr/> |
| <u>PROFIT ON ORDINARY ACTIVITIES</u> | | |
| <u>BEFORE TAXATION</u> | | 6,160 |
| Tax on Ordinary Activities | 5 | 1,147 |
| | | <hr/> |
| <u>PROFIT ON ORDINARY ACTIVITIES</u> | | |
| <u>AFTER TAXATION</u> | | £ 5,013 |
| | | <hr/> <hr/> |
| <u>STATEMENT OF RETAINED EARNINGS</u> | | |
| Retained Profit for the Year | | 5,013 |
| | | <hr/> |
| <u>RETAINED PROFIT CARRIED FORWARD</u> | | £ 5,013 |
| | | <hr/> <hr/> |

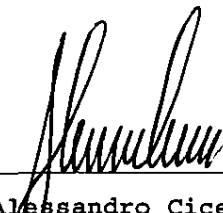
The notes on pages 4a to 4c form part of these accounts

A.A. FASHION SERVICE LIMITED**BALANCE SHEET**
AS AT 30TH NOVEMBER 2007

| | <u>Notes</u> | <u>2007</u> | |
|--|--------------|-------------|---------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible Assets | 6 | | 1,640 |
| CURRENT ASSETS | | | |
| Debtors | 7 | 8,696 | |
| Cash at Bank and in Hand | | 2,933 | |
| | | <hr/> | |
| | | 11,629 | |
| CREDITORS : Amounts Falling | | | |
| Due within One Year | 8 | (8,156) | |
| | | <hr/> | |
| NET CURRENT ASSETS | | | 3,473 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <hr/> |
| | | | £ 5,113 |
| | | | <hr/> |
| CAPITAL AND RESERVES | | | |
| Share Capital | 9 | | 100 |
| Profit and Loss Account | 10 | | 5,013 |
| | | | <hr/> |
| <u>TOTAL SHAREHOLDERS' FUNDS</u> | | | <hr/> |
| | | | £ 5,113 |
| | | | <hr/> |

The directors consider that for the period ended 30th November 2007 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial period under subsection 2 of section 249B of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing accounts 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 the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company. These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Approved and signed by the sole director on 4th July 2008:



 Mr. Alessandro Ciceri
 Director

The notes on pages 4a to 4c form part of these accounts

A.A. FASHION SERVICE LIMITEDNOTES TO THE ACCOUNTS
FOR THE PERIOD FROM 9TH NOVEMBER 2006 TO 30TH NOVEMBER 2007**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention
The accounts have also been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT

Tangible Fixed Assets

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

Other Tangible Fixed Assets - 25% on written down value

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 the transaction

Cash Flow Statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 on the grounds that it qualifies as a small company under the Companies Act 1985

2. TURNOVER

The Turnover and Profit (- Profit) before taxation for the period is attributable to the principal activity of the Company which is that of wholesale ladies fashion

In the opinion of the Directors, 100% of the company's turnover is attributable to geographical markets outside the UK

3. OPERATING PROFIT

The Operating Profit (- Profit) is stated after charging:

| | |
|---------------------------------------|-------------------|
| | <u>2007</u> |
| | £ |
| Depreciation of Tangible Fixed Assets | 546 |
| | <u> </u> |

4. INCOME FROM INVESTMENTS

| | |
|------------------------|-------------------|
| | <u>2007</u> |
| | £ |
| Bank Interest Received | 5 |
| | <u> </u> |

A.A. FASHION SERVICE LIMITEDNOTES TO THE ACCOUNTSFOR THE PERIOD FROM 9TH NOVEMBER 2006 TO 30TH NOVEMBER 2007**5. TAXATION**

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

| | <u>2007</u> |
|-----------------|-------------------|
| | £ |
| Corporation Tax | 1,147 |
| | <u> </u> |

Corporation tax has been charged on the profit at 20%

6. TANGIBLE FIXED ASSETS

| | Plant & Machinery etc £ |
|-----------------------|----------------------------------|
| COST | |
| At 9th November 2006 | - |
| Additions in period | 2,186 |
| | <u> </u> |
| At 30th November 2007 | 2,186 |
| | <u> </u> |
| DEPRECIATION | |
| At 9th November 2006 | - |
| Charge for the period | 546 |
| | <u> </u> |
| At 30th November 2007 | 546 |
| | <u> </u> |
| NET BOOK VALUE | |
| At 30th November 2007 | 1,640 |
| | <u> </u> |

7. DEBTORS

| | <u>2007</u> |
|-------------------------------------|-------------------|
| | £ |
| Amounts due within one year: | |
| Trade Debtors | 8,696 |
| | <u> </u> |
| | 8,696 |
| | <u> </u> |

A.A. FASHION SERVICE LIMITEDNOTES TO THE ACCOUNTSFOR THE PERIOD FROM 9TH NOVEMBER 2006 TO 30TH NOVEMBER 20078. CREDITORS: Amounts Falling
Due within One Year

| | <u>2007</u> |
|---------------------------------|--------------|
| | £ |
| Social Security and Other Taxes | 1,147 |
| Other Creditors | 528 |
| Director's Loan Account | 6,481 |
| | <u>8,156</u> |

9. SHARE CAPITAL

| | <u>2007</u> |
|------------------------------|-------------|
| | £ |
| <u>Ordinary Shares of £1</u> | |
| Authorised | 1,000 |
| | <u>100</u> |

During the period 100 shares of £1 each were allotted and fully paid for cash at par to increase the capital base of the Company

10. RESERVES

| | <u>Share</u> <u>Premium</u> <u>Account</u> £ | <u>Revaluation</u> <u>Reserve</u> £ | <u>Profit &</u> <u>Loss A/c</u> £ |
|-----------------------------------|---|---|---|
| At 9th November 2006 | - | - | - |
| Retained Profit for the period | - | - | 5,013 |
| At 30th November 2007 | <u>-</u> | <u>-</u> | <u>5,013</u> |

11. RELATED PARTY TRANSACTIONS

All goods sold and services supplied were to Laura Moda srl, a company registered in Italy. The director, Mr Alessandro Ciceri, owns a major controlling interest in Laura Moda srl