

COMPANY REGISTRATION NUMBER 06407085

**BLANCO INT. LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2011**

WEDNESDAY



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**BLANCO INT. LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

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**BLANCO INT. LIMITED**  
**THE DIRECTOR'S REPORT**  
**YEAR ENDED 31 DECEMBER 2011**

The director presents his report and the financial statements of the company for the year ended 31 December 2011

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was the retailing of high street fashion clothing and accessories

**DIRECTOR**

The director who served the company during the year was as follows

Mr Bernardo Blanco Moreno

**DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Director's Report 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 they are 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 those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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

In so far as the director is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

# **BLANCO INT. LIMITED**

## **THE DIRECTOR'S REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2011**

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office  
C/o 7side Secretarial Limited  
14-18 City Road  
Cardiff  
Wales  
CF24 3DL

Signed by

A handwritten signature in black ink, consisting of a large, stylized 'B' with a horizontal line extending to the left and a small 'X' mark above the top loop.

**Bernardo Blanco Moreno**

Director

Approved by the director on 1 February 2012

# **BLANCO INT. LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF BLANCO INT. LIMITED**

**YEAR ENDED 31 DECEMBER 2011**

We have audited the financial statements of Blanco Int Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholder, 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 shareholder those matters we are required to state to them in an auditor's report 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 shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR**

As explained more fully in the Director's Responsibilities Statement set out on page 1, 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 (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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. 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 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our 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.

# **BLANCO INT. LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF BLANCO INT. LIMITED (continued)**

**YEAR ENDED 31 DECEMBER 2011**

### **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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report



JOSEPH KINTON (Senior Statutory Auditor)

For and on behalf of  
SHIPLEYS LLP  
Chartered Accountants  
& Statutory Auditor

10 Orange Street  
Haymarket  
London  
WC2H 7DQ

1 February 2012

**BLANCO INT. LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
<b>TURNOVER</b>		930,582	1,039,023
Cost of sales		(516,128)	(657,299)
<b>GROSS PROFIT</b>		414,454	381,724
Administrative expenses		(985,060)	(1,009,049)
Other operating income	2	364	9,048
<b>OPERATING LOSS</b>	3	(570,242)	(618,277)
Interest receivable		13	3
Interest payable and similar charges		(31,176)	(23,260)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(601,405)	(641,534)
Tax on loss on ordinary activities		-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(601,405)</u>	<u>(641,534)</u>

The notes on pages 7 to 11 form part of these financial statements

**BLANCO INT. LIMITED****BALANCE SHEET****31 DECEMBER 2011**

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible assets	4	550,881	692,089
<b>CURRENT ASSETS</b>			
Stocks		104,179	164,014
Debtors	5	180,325	181,650
Cash at bank		174,103	91,311
		<u>458,607</u>	<u>436,975</u>
<b>CREDITORS. Amounts falling due within one year</b>	6	<u>(437,592)</u>	<u>(1,491,943)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		21,015	(1,054,968)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		571,896	(362,879)
<b>CREDITORS Amounts falling due after more than one year</b>	7	(212,727)	(276,547)
		<u>359,169</u>	<u>(639,426)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	10	2,531,033	931,033
Profit and loss account	11	(2,171,864)	(1,570,459)
<b>SHAREHOLDER'S FUNDS/(DEFICIT)</b>		<u>359,169</u>	<u>(639,426)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and signed by the director and authorised for issue on 1 February 2012

MR BERNARDO BLANCO MORENO

Company Registration Number 06407085

The notes on pages 7 to 11 form part of these financial statements



**BLANCO INT. LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

**Fixed assets**

All fixed assets are initially recorded at cost

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property	- 20% - 37 5% per annum reducing balance
Fixtures & Fittings	- 4 - 7 years straight line basis

**Stocks**

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

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

**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 Exchange differences are taken into account in arriving at the operating profit

# BLANCO INT. LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

### 1. ACCOUNTING POLICIES *(continued)*

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

#### Going concern

The financial statements have been prepared on a going concern basis. The company is dependent upon the continuing support of its parent undertaking, Diagmoda SL (a company incorporated in Spain) who have confirmed that they will continue to provide financial support to the company for the foreseeable future.

### 2. OTHER OPERATING INCOME

	2011	2010
	£	£
Other operating income	<u>364</u>	<u>9,048</u>

### 3. OPERATING LOSS

Operating loss is stated after charging/(crediting)

	2011	2010
	£	£
Director's remuneration	—	—
Depreciation of owned fixed assets	143,874	137,725
Auditor's fees	8,400	7,900
Net profit on foreign currency translation	<u>(24,854)</u>	<u>(75,587)</u>

**BLANCO INT. LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**4. TANGIBLE FIXED ASSETS**

	Leasehold Property £	Fixtures & Fittings £	Total £
<b>COST</b>			
At 1 January 2011	817,362	175,704	993,066
Additions	6,573	—	6,573
Disposals	—	(3,907)	(3,907)
<b>At 31 December 2011</b>	<u>823,935</u>	<u>171,797</u>	<u>995,732</u>
<b>DEPRECIATION</b>			
At 1 January 2011	263,719	37,258	300,977
Charge for the year	115,228	28,646	143,874
<b>At 31 December 2011</b>	<u>378,947</u>	<u>65,904</u>	<u>444,851</u>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2011</b>	<u>444,988</u>	<u>105,893</u>	<u>550,881</u>
At 31 December 2010	<u>553,643</u>	<u>138,446</u>	<u>692,089</u>

**5. DEBTORS**

	2011 £	2010 £
Trade debtors	13,123	11,349
Amounts owed by group undertakings	125,117	—
Other debtors	42,085	170,301
	<u>180,325</u>	<u>181,650</u>

Contained within the Other Debtors figure is an amount of £8,576 (2010 £8,576) relating to a deposit which is repayable in more than 1 year

**6. CREDITORS: Amounts falling due within one year**

	2011 £	2010 £
Bank loans	55,817	56,000
Trade creditors	38,543	126,611
Amounts owed to group undertakings	82,625	935,190
Other taxation and social security	51,917	38,246
Other creditors	208,690	335,896
	<u>437,592</u>	<u>1,491,943</u>

**BLANCO INT. LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**7. CREDITORS: Amounts falling due after more than one year**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank loans	<u>212,727</u>	<u>276,547</u>

**8. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2011 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating leases which expire After more than 5 years	<u>443,093</u>	<u>420,593</u>

**9. RELATED PARTY TRANSACTIONS**

No transactions with related parties were undertaken such as are required to be disclosed under FRSSE

**10. SHARE CAPITAL**

**Allotted, called up and fully paid.**

	<b>2011</b>	<b>£</b>	<b>2010</b>	<b>£</b>
	<b>No</b>		<b>No</b>	
2,531,033 Ordinary shares (2010 - 931,033) of £1 each	<u>2,531,033</u>	<u>2,531,033</u>	<u>931,033</u>	<u>931,033</u>

During the year 1,600,000 shares were allotted at par for consideration of £1,600,000

**11. PROFIT AND LOSS ACCOUNT**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Balance brought forward	(1,570,459)	(928,925)
Loss for the financial year	(601,405)	(641,534)
Balance carried forward	<u>(2,171,864)</u>	<u>(1,570,459)</u>

**BLANCO INT. LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**12. ULTIMATE PARENT COMPANY**

The director regards Diagmoda SL, a company incorporated in Spain, to be the immediate parent company

Texbi SL, a company incorporated in Spain is the ultimate parent undertaking of the smallest and largest group to consolidate these financial statements

Bernard Blanco Moreno is considered to be the ultimate controlling party due to his shares directly and indirectly in Texbi SL

Copies of the consolidated financial statements of Texbi SL can be obtained from Pol Ind Prado de Refordono 60, 28936 Mostoles, Madrid, Spain