

Company Registration No. 06938895 (England and Wales)

# **OFFICE COPY**

**VERIGOLD JEWELLERY (UK) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2010**

# VERIGOLD JEWELLERY (UK) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Hitesh Shah (Appointed 26 June 2009) Niranjan Shah (Appointed 26 June 2009) Sumit Shah (Appointed 26 June 2009)
<b>Company number</b>	06938895
<b>Registered office</b>	88 - 90 Hatton Garden Suite 49, 5th Floor London EC1N 8PN
<b>Auditors</b>	Richard Anthony & Company 13 Station Road Finchley London N3 2SB
<b>Business address</b>	88 - 90 Hatton Garden Suite 49, 5th Floor London EC1N 8PN

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# VERIGOLD JEWELLERY (UK) LIMITED

## CONTENTS

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	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8
Notes to the financial statements	9 - 13

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# VERIGOLD JEWELLERY (UK) LIMITED

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 31 MARCH 2010

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The directors present their report and financial statements for the period ended 31 March 2010.

#### Principal activities

The company was incorporated on 19th June 2009. The principal activity of the company was that of jewellery importers and wholesalers.

#### Directors

The following directors have held office since 19 June 2009:

Hitesh Shah	(Appointed 26 June 2009)
Niranjan Shah	(Appointed 26 June 2009)
Sumit Shah	(Appointed 26 June 2009)

#### Auditors

Richard Anthony & Company were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial 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). Under company law the directors 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 these financial statements, the directors are 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 directors are 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 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.

# VERIGOLD JEWELLERY (UK) LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2010

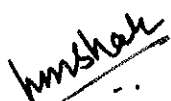
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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board



Hitesh Shah

Director

8 May 2010

# VERIGOLD JEWELLERY (UK) LIMITED

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF VERIGOLD JEWELLERY (UK) LIMITED

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We have audited the financial statements of Verigold Jewellery (UK) Limited for the period ended 31 March 2010 set out on pages 5 to 13. 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 sections 495 and 496 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 an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are 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 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 directors; and the overall presentation of the financial statements.

#### **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 March 2010 and of its loss for the period 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

# VERIGOLD JEWELLERY (UK) LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)


### TO THE MEMBERS OF VERIGOLD JEWELLERY (UK) LIMITED

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#### 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mr Michael Barnett (Senior Statutory Auditor)  
for and on behalf of Richard Anthony & Company

21 June 2010

Chartered Accountants  
Statutory Auditor

13 Station Road  
Finchley  
London  
N3 2SB

# VERIGOLD JEWELLERY (UK) LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 MARCH 2010

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	Notes	2010 £
Administrative expenses		(121,330)
<b>Operating loss</b>	<b>2</b>	<u>(121,330)</u>
Interest payable and similar charges		(668)
<b>Loss on ordinary activities before taxation</b>		<u>(121,998)</u>
Tax on loss on ordinary activities	<b>3</b>	26,034
<b>Loss for the period</b>	<b>10</b>	<u><u>(95,964)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.



# VERIGOLD JEWELLERY (UK) LIMITED

## BALANCE SHEET

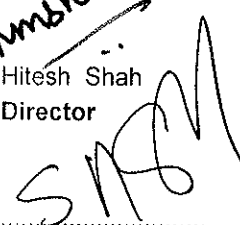
AS AT 31 MARCH 2010

	Notes	2010 £	£
<b>Fixed assets</b>			
Tangible assets	4		2,374
<b>Current assets</b>			
Stocks		119,031	
Debtors	5	47,591	
Cash at bank and in hand		84,887	
		<u>251,509</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(67,645)</u>	
<b>Net current assets</b>			183,864
<b>Total assets less current liabilities</b>			186,238
<b>Creditors: amounts falling due after more than one year</b>	7		(132,202)
			<u>54,036</u>
<b>Capital and reserves</b>			
Called up share capital	9		150,000
Profit and loss account	10		(95,964)
<b>Shareholders' funds</b>	11		<u>54,036</u>


These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board and authorised for issue on 8 May 2010

  
Hitesh Shah  
Director

  
Sumit Shah  
Director

Company Registration No. 06938895

  
Niranjana Shah  
Director

# VERIGOLD JEWELLERY (UK) LIMITED

## CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2010

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	£	2010 £
<b>Net cash outflow from operating activities</b>		(193,679)
<b>Returns on investments and servicing of finance</b>		
Interest paid	(668)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(668)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(2,968)	
<b>Net cash outflow for capital expenditure</b>		(2,968)
<b>Net cash outflow before management of liquid resources and financing</b>		(197,315)
<b>Financing</b>		
Issue of ordinary share capital	150,000	
Other new long term loans	132,202	
<b>Net cash inflow/(outflow) from financing</b>		282,202
<b>Increase in cash in the period</b>		84,887

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# VERIGOLD JEWELLERY (UK) LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2010

<b>1</b>	<b>Reconciliation of operating loss to net cash outflow from operating activities</b>	<b>2010</b>
		<b>£</b>
	Operating (loss)/profit	(121,330)
	Depreciation of tangible assets	594
	(Increase)/decrease in stocks	(119,031)
	Increase in debtors	(21,557)
	Increase in creditors within one year	67,645
	<b>Net cash outflow from operating activities</b>	<b>(193,679)</b>

<b>2</b>	<b>Analysis of net debt</b>	<b>19 June 2009</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	Net cash:			
	Cash at bank and in hand	-	84,887	-
	Bank deposits	-	-	-
	Debt:			
	Debts falling due after one year	-	(132,202)	-
	<b>Net debt</b>	<b>-</b>	<b>(47,315)</b>	<b>-</b>

<b>3</b>	<b>Reconciliation of net cash flow to movement in net debt</b>	<b>2010</b>
		<b>£</b>
	Increase in cash in the period	84,887
	Cash inflow from increase in debt	(132,202)
	<b>Movement in net debt in the period</b>	<b>(47,315)</b>
	Opening net debt	-
	<b>Closing net debt</b>	<b>(47,315)</b>

# VERIGOLD JEWELLERY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2010

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	20% on net book value
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#### 1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.5 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Renaissance Jewellery Limited, a company incorporated in India, and is included in the consolidated accounts of that company.

### 2 Operating loss

Operating loss is stated after charging:

Depreciation of tangible assets	594
Operating lease rentals	11,935
Auditors' remuneration	5,000
	<u>17,529</u>

# VERIGOLD JEWELLERY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2010

<b>3</b>	<b>Taxation</b>	<b>2010</b>
		<b>£</b>
	<b>Current tax charge</b>	-
	<b>Deferred tax</b>	
	Deferred tax charge/credit current year	(26,034)
		<u>(26,034)</u>
	<b>Factors affecting the tax charge for the period</b>	
	Loss on ordinary activities before taxation	(121,998)
		<u>(121,998)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00%	(25,620)
		<u>(25,620)</u>
	<b>Effects of:</b>	
	Non deductible expenses	84
	Depreciation add back	125
	Capital allowances	(623)
	Other tax adjustments	26,034
		<u>25,620</u>
	<b>Current tax charge</b>	-
		<u>-</u>

The company has estimated losses of £ 123,971 available for carry forward against future trading profits.

<b>4</b>	<b>Tangible fixed assets</b>	<b>Plant and machinery etc</b>
		<b>£</b>
	<b>Cost</b>	
	At 19 June 2009	-
	Additions	2,968
		<u>2,968</u>
	At 31 March 2010	2,968
	<b>Depreciation</b>	
	At 19 June 2009	-
	Charge for the period	594
		<u>594</u>
	At 31 March 2010	594
	<b>Net book value</b>	
	At 31 March 2010	<u>2,374</u>

# VERIGOLD JEWELLERY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2010

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<b>5 Debtors</b>	<b>2010</b>
	<b>£</b>
Other debtors	21,557
Deferred tax asset (see note 8)	26,034
	<u>          </u>
	<u>          </u>
<b>6 Creditors: amounts falling due within one year</b>	<b>2010</b>
	<b>£</b>
Trade creditors	16,616
Amounts owed to group undertakings and undertakings in which the company has a participating interest	33,902
Taxation and social security	6,465
Other creditors	10,662
	<u>          </u>
	<u>67,645</u>
	<u>          </u>
<b>7 Creditors: amounts falling due after more than one year</b>	<b>2010</b>
	<b>£</b>
Amounts owed to group undertakings	132,202
	<u>          </u>
	<u>          </u>
<b>8 Provisions for liabilities</b>	
<b>The deferred tax asset (included in debtors, note 5) is made up as follows:</b>	<b>2010</b>
	<b>£</b>
Profit and loss account	(26,034)
	<u>          </u>
	<u>          </u>
	<b>2010</b>
	<b>£</b>
Tax losses available	(26,034)
	<u>          </u>
	<u>          </u>

# VERIGOLD JEWELLERY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2010

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<b>9 Share capital</b>	<b>2010</b>
	<b>£</b>
<b>Authorised</b>	
1,000,000 Ordinary shares of £1 each	1,000,000
	<u>          </u>
<b>Allotted, called up and fully paid</b>	
150,000 Ordinary shares of £1 each	150,000
	<u>          </u>
<b>10 Statement of movements on profit and loss account</b>	<b>Profit and loss account</b>
	<b>£</b>
Loss for the period	(95,964)
	<u>          </u>
<b>11 Reconciliation of movements in shareholders' funds</b>	<b>2010</b>
	<b>£</b>
Loss for the financial period	(95,964)
Proceeds from issue of shares	150,000
	<u>          </u>
Net addition to shareholders' funds	54,036
Opening shareholders' funds	-
	<u>          </u>
Closing shareholders' funds	54,036
	<u>          </u>
<b>12 Financial commitments</b>	
At 31 March 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2011:	
	<b>Land and buildings</b>
	<b>2010</b>
	<b>£</b>
Operating leases which expire:	
Between two and five years	10,000
	<u>          </u>

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# VERIGOLD JEWELLERY (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE PERIOD ENDED 31 MARCH 2010*

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### 13 Control

The ultimate parent company is Renaissance Jewellery Limited, a company registered in India.

Renaissance Jewellery Limited prepares group financial statements and copies can be obtained directly from them.



# VERIGOLD JEWELLERY (UK) LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2010

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	2010	
	£	£
Purchases	106,572	
Other direct costs	2,987	
Duty and clearance costs	6,540	
Freight & Carriage costs	2,932	
	<hr/>	
Closing stock of finished goods	119,031	
	<u>(119,031)</u>	
<b>Administrative expenses</b>		<u>(121,330)</u>
<b>Operating loss</b>		(121,330)
<b>Interest payable</b>		
Other interest paid	668	
	<hr/>	
		(668)
<b>Loss before taxation</b>		<u><u>(121,998)</u></u>

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# VERIGOLD JEWELLERY (UK) LIMITED

## SCHEDULE OF DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES FOR THE PERIOD ENDED 31 MARCH 2010

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	2010 £
<b>Administrative expenses</b>	
Wages and salaries (excl. N.I.)	21,062
Employer's N.I. contributions	2,452
Recruitment Fees	18,111
Secretarial Fees	3,246
Rent	11,935
Rates	1,647
Insurance	680
Light and heat	250
Repairs and maintenance	2,522
Printing, postage and stationery	1,435
Telephone	630
Computer running costs	1,275
Travelling expenses	9,401
Legal and professional fees	1,000
Consultancy fees	40,000
Audit fees	5,000
Bank charges	49
Sundry expenses	41
Depreciation on FF & E	594
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	121,330
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