



JacquesVert Plc

Annual Report & Accounts 2011



Jacques Vert

Jacques Vert

Occasion wear label Jacques Vert offers a complete seasonal wardrobe for the lady with a full social calendar, with smart, feminine and elegant occasion wear, all tailored to coordinate with weddings, parties and special occasions in mind in sizes 10-24 since 1972.



WINDSMOOR

Windsmoor

Over 75 years of fashion heritage and a quintessential British appeal combine to make Windsmoor's clothing the hallmark of timeless styling. Designed for a curvaceous feminine figure in sizes 10-24, Windsmoor offers sophisticated, classic and glamorous styling with a nod to contemporary trends.



PLANET

Planet

Planet tailors sophisticated fashion for the modern professional woman. Planet has a strong foundation in work wear and tailoring, with confident, smart and stylish business dress at the heart of the brand, but also offers glamorous evening wear, relaxed daytime fashion and accessories for a complete wardrobe in sizes 6-20.



PRECIS

Precis

Specialists Precis tailor for all aspects of a petite woman's life; from work and occasion wear to casual dressing. Quality, style and attention to detail are key to Precis' contemporary, polished and well-proportioned clothes that fit and flatter the petite woman in sizes 6-18.

Jacques Vert Plc, founded in 1972 and listed on the Alternative Investment Market of the London Stock Exchange, is a retailer of four womenswear brands:

Jacques Vert, Planet, Windsmoor and Precis.

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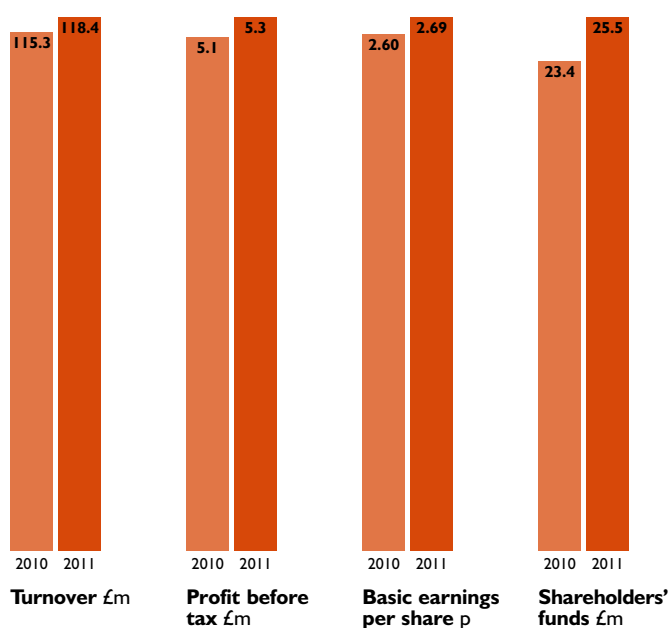
Jacques Vert



Highlights

- Sales up 2.6% to £118.4 million.
- Like-for-like sales up 2.0% for the year.
- Profit before tax up 3.1% to £5.3 million.
- Dividend declared of 0.67p, up 3.0%.

| Financial highlights | 53 weeks ended 30 April 2011 | 52 weeks ended 24 April 2010 |
|----------------------------------|---|---|
| Turnover | £118.4m | £115.3m |
| Gross margin % of turnover | 62.8% | 63.7% |
| Profit before tax | £5.3m | £5.1m |
| Dividend per share proposed | 0.67p | 0.65p |
| Basic earnings per share | 2.69p | 2.60p |
| Fully diluted earnings per share | 2.55p | 2.51p |
| Cash and cash equivalents | £10.1m | £12.6m |
| Shareholders' funds | £25.5m | £23.4m |



WINDSMOOR



Chairman's statement

We have taken significant steps forward and the ongoing investment programme in new systems and infrastructure will position us well for the future.

The trading environment has been difficult over the last year which has affected most areas of the retail market and against that background I believe that our brands have performed well.

Profit before tax for the year of £5.3 million compares with a profit of £5.1 million in the prior year. We have made pleasing progress in developing the ecommerce business and it is also worth noting the Jacques Vert and Precis brands have both performed particularly strongly. Our international business also delivered encouraging growth.

On the operational front we have taken significant steps forward and the ongoing investment programme in new systems and infrastructure will position us well for the future.

The return to the dividend list last year was well received by shareholders and I am pleased to report the Board is proposing an increased final dividend of 3% to 0.67p per share in respect of the year ended 30 April 2011.

I believe that this financial year will be challenging but I am pleased with the start we have made and I am confident that the business is well positioned to benefit from any improvement in the market.

Finally, I would like to extend my thanks on behalf of the Board to all our staff for their contribution and support through the year.

Steve Bodger
Chairman
4 July 2011

PLANET



The Group has made an encouraging start to the new financial year and sales in the nine weeks since the year end have increased by 1.7% on a like-for-like basis.

Group operating profit for the 53 weeks ended 30 April 2011 was £5.4 million (2010: £5.3 million). Profit before tax was £5.3 million (2010: £5.1 million), an increase of 3.1%.

Against a backdrop of an unpredictable retail climate the business has performed well. Total sales for the year at £118.4 million (2010: £115.3 million) were 2.6% ahead of last year. Like for like sales were 2.0% ahead of last year.

At the end of the year the Group operated from 874 outlets compared with 960 outlets at the beginning of the year.

One of the features of the current retail market, which has become increasingly apparent as the year has progressed, is the level and frequency of markdown activity which has had a negative impact on gross margins. In addition, as noted at the time of the Interim statement, gross margin is also being eroded by supplier cost inflation. The cumulative effect of these factors has resulted in gross margin declining slightly to 62.8% (2010: 63.7%).

Distribution costs, which comprise mainly of the costs of operating stores, were £58.3 million (2010: £56.9 million).

Administrative expenses at £10.6 million (2010: £11.3 million) have declined by 6% compared to the prior year. The higher level of administrative expenses in the prior year was due to significant one off costs and the level of expense in the current year reflects a more normal level of activity.

Cash and financing

Cash at the year end amounted to £10.1 million (2010: £12.6 million). The Group has embarked on a significant investment programme to replace its IT and ecommerce systems and to invest in the retail estate. As a result, capital expenditure in the year amounted to £2.9 million (2010: £1.1 million). In addition there was a further outflow of £2.3 million during the year relating to the payment of a dividend to shareholders (the first since 1995) together with a purchase of shares on behalf of the ESOP Trust of £1.1 million.

Working capital requirements also increased during the year to support the increase in trading and in particular the investment in stock for ecommerce.

PRECIS



Despite the challenging market conditions we are well placed for the new financial year; the new Jacques Vert Autumn/Winter 2011 collections have been well received by customers.

Current trading and prospects

Sales since the year end have continued to be unpredictable and it has been difficult to discern a particular trend and, as a result, we are cautious about the outlook for this financial year. The Group has, however, made an encouraging start to the new financial year and sales in the nine weeks since the year end have increased by 1.7% on a like-for-like basis. Gross margin is marginally lower than last year, primarily due to ongoing cost pressures from suppliers. We continue to re-evaluate our supply base and the wider supply chain in an effort to improve margins.

Despite the challenging market conditions we are well placed for the new financial year; the new Jacques Vert Autumn/Winter 2011 collections have been well received by customers, we have secured new premium concession space in host stores and believe there are further opportunities to develop our ecommerce business both in the UK and internationally. In addition, when the new systems implementation has been completed it will open up opportunities to improve significantly the operating effectiveness of the business, although the benefits will not be seen until the next financial year.

Paul Allen
Chief Executive
4 July 2011

Directors' report

The Directors present their annual report together with the audited consolidated financial statements of the Group and the parent company for the 53 weeks ended 30 April 2011.

Business review

The principal activities of the Group and the parent company are the design and retail sale of ladies' fashion wear.

A review of the Group's operations, recent developments and prospects is set out in the Chief executive's statement on pages 7 to 9.

Details of financial key performance indicators are set out on page 3.

The principal risks and uncertainties facing the Group relate to the continued difficult retail trading environment in the UK together with the fact that the majority of the Group's purchases of goods for resale are denominated in non-sterling currencies, principally the US dollar and Hong Kong dollar. In order to mitigate the financial consequences of exchange rate fluctuations, the Group enters into forward contracts to purchase currency based on forecast purchasing requirements.

A commentary on the approach adopted in managing the principal financial risks faced by the Group is given in note 22.

Results and dividends

The trading results for the period are set out in the Group income statement on page 15.

The profit for the year attributable to equity shareholders was £4,997,000 (2010: £4,969,000). The Group retained earnings increased to £1,159,000 (2010: deficit of £1,932,000). The Company had retained earnings of £9,135,000 (2010: £7,902,000).

The Directors propose a final dividend of 0.67p per share (2010: 0.65p) amounting to £1,233,000 (2010: £1,196,000). The final dividend will be paid on 14 October 2011 to shareholders whose names are on the Register of Members at the close of business on 16 September 2011.

Share capital

Details of the Company's authorised and allotted share capital are given in note 20. All ordinary shares and the share premium thereon rank equally as a single class of equity. There are no restrictions on the transfer of shares or on the exercise of voting rights attached to them.

The rights and obligations attaching to the Company's ordinary shares, in addition to those conferred on their holders by law, are set out in the Company's Articles of Association ("the Articles"), copies of which can be obtained from Companies House in the UK or by writing to the Company Secretary.

The holders of ordinary shares are entitled to receive the Company's reports and accounts, to attend and speak at general meetings of the Company, to appoint proxies and to exercise voting rights.

Directors

The names and brief details of the current Directors are set out on page 13. In accordance with the Company's articles of association, S Bodger and C Baker retire by rotation and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

There were no contracts of significance during or at the end of the financial year in which a Director of the Company is or was materially interested.

A qualifying third-party indemnity provision as defined in Section 234 of the Companies Act 2006 is in force for the benefit of each of the Directors and the Company Secretary (who is also a Director of certain subsidiaries of the Company) in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which directors may not be indemnified, the Company maintained a directors' and officers' liability insurance policy throughout the financial year.

Preparation of accounts

The consolidated financial statements are prepared under International Financial Reporting Standards (IFRS) as adopted by the EU.

The financial statements of the parent company have been prepared under UK GAAP and are included in Annexure A to the Annual Report on pages 41 to 48.

Substantial shareholdings

The Directors have been notified of the following shareholders who had an interest amounting to 3% or more in the ordinary shares of the Company as at 4 July 2011:

| | Ordinary shares | |
|--|-----------------|-------|
| | Number | % |
| Schroder Investment Management Limited | 40,085,263 | 22.91 |
| Bandera Partners | 20,650,000 | 10.73 |
| Henderson Global Investors | 14,687,500 | 7.63 |
| Cavendish Asset Management Limited | 14,343,000 | 7.45 |
| Blackrock Investment Management | 14,276,799 | 7.42 |
| New Pistoia Income Settlement | 9,300,000 | 4.83 |
| GAM London Limited | 8,724,000 | 4.53 |
| Jacques Vert Plc Trustees | 8,398,178 | 4.36 |
| Individuals & Private Clients UK | 6,351,831 | 3.30 |

Purchase of shares

During the year the Company purchased 7,000,000 of its own shares at a cost of £1,055,000, through the Employee Share Ownership Trust in order to hedge commitments under the Long-term Incentive Plan (see note 21). The shares have a nominal value of £70,000, representing 3.64% of the called-up share capital of the Company.

Annual General Meeting

The Annual General Meeting of the Company will be held at the Company's head office address, being 46 Colebrooke Row, London, N1 8AF at 11.30am on 30 September 2011.

The Notice of Meeting for the Annual General Meeting, together with details of all resolutions proposed, will be sent to all shareholders prior to the meeting.

Health and safety

It is the Group's policy to ensure that, so far as is reasonably practicable, there is a working environment which will minimise the risk to the health and safety of employees and to those persons who are authorised to be on its premises.

Employees

The Directors place considerable value on the involvement of employees in the operation and development of the business and keep them informed on matters affecting them and the performance of the Group. Information is given at both formal and informal meetings throughout the Group.

In all employment matters, the Group maintains a commitment to an equal opportunity policy.

The Group continues to give full and fair consideration to applications for employment by disabled persons, having regard to their respective aptitudes and abilities. The Group has continued its policy of employee involvement by making information available to employees and encouraging their participation in schemes, which are related to the Group's progress and profitability.

Payment policy and practice

It is the Group's policy to agree the terms of payment with all suppliers when agreeing the terms of each transaction, to ensure that all suppliers are made aware of the terms of payment and to abide by the terms of payment as far as possible. Group trade payables at 30 April 2011 were equivalent to 83 days of purchases (2010: 91 days) made prior to that date.

Corporate governance

As an AIM-listed Company, compliance with the Principles of Good Governance and code of Best Practice (the "UK Corporate Governance Code") is not required. However, the Company seeks, where possible, to comply with the UK Corporate Governance Code to the extent that it is practicable and manageable for a company of its size.

The Board has four non-executive Directors, whom the Company considers are independent. The Remuneration and Audit Committees are standing committees of the Board, have written terms of reference approved by the Board and are comprised of the non-executive Directors. C Baker chairs both the Audit and Remuneration Committees. He is also Chairman of the Jacques Vert (2006) Pension Scheme Trustee.

The Directors have responsibility for, and review on a regular basis, the Group's systems of internal controls. These are designed to provide reasonable assurance that assets are safeguarded. The key elements of the Group's systems are summarised as follows:

- The organisation structure is clearly defined and managers are aware of the level of their authority.
- The Board of Directors holds regular meetings during the year to review the operating and financial performance of the business. The Board has a number of matters reserved for its approval including major capital expenditure and the development of Group budgets and plans.

Directors' responsibilities

The following statement, which should be read in conjunction with the report of the Independent Auditors set out on page 14, is made with a view to distinguishing for shareholders, the respective responsibilities of the Directors and of the Independent Auditors in relation to the financial statements.

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 financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, and the parent company 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 Group and the Company and of the profit or loss of the Group 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;
- state whether IFRSs as adopted by the European Union and applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Group and Company financial statements respectively;
- 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors and the disclosure of information

So far as the Directors are aware, there is no relevant audit information, being information required by the auditors in connection with the preparation of the auditors' report, of which the auditors are unaware. Having made enquiries of fellow directors and the Group's auditors, each Director has taken all steps that he is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the Group's websites. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the Annual General Meeting.

By order of the Board

Ian Johnson
Company Secretary
4 July 2011

Directors and advisers

Steve Bodger*

Non-executive Chairman

Aged 62, Steve was appointed a non-executive director in November 2004 and was appointed non-executive Chairman in November 2007. He is the Chairman of a number of private companies and is the Senior Independent Director of both Armour Group PLC and Work Group PLC.

Paul Allen

Chief Executive

Aged 47, Paul joined the Company from Price Waterhouse in October 1994 and was appointed Finance Director in August 1997 and Chief Executive in May 2003.

Christopher Baker* MBE

Senior Independent Director

Aged 59, Christopher joined the Board in March 1999. He is Chairman of the Audit and Remuneration Committees. He has a background in corporate finance and retail, is a non-executive director of a number of public and private sector organisations and is non-executive Chairman of the Aintree University Hospitals NHS Foundation Trust and non-executive Chair of the Training and Development Agency for Schools. He is the Chairman of the Baird Group Pension Scheme Trustee and the Jacques Vert 2006 Pension Scheme Trustee.

Gillian Berkmen*

Independent Non-executive Director

Aged 51, Gillian was appointed to the Board in November 2009. Gillian is currently the Group Brand and Commercial Director of Mothercare. Before joining Mothercare, Gillian was a Director of Watches of Switzerland and jewellers Mappin & Webb. Prior to this she spent 20 years working for well-known high street brands such as Miss Selfridge, Bhs and River Island.

Jessica Burley*

Independent Non-executive Director

Aged 45, Jessica was appointed to the board in November 2009. Jessica is currently CEO of MCHI, a full service advertising agency. Prior to joining MCHI Jessica was Managing Director of The National Magazine Company, the publisher of magazines such as Good Housekeeping, Harper's Bazaar and Cosmopolitan. Jessica previously worked at publishers Gruner & Jahr and the Financial Times.

Ian Johnson BSc ACA

Finance Director

Aged 51, Ian joined the Board in November 2003. He qualified as a Chartered Accountant with Coopers & Lybrand in 1984 and has held a number of Finance Director positions within listed and private companies.

* Member of the Remuneration and Audit Committees

Company Secretary

Ian Johnson

Registered office

46 Colebrooke Row
London
NI 8AF

Registered number

1075752

Registrars and transfer office

Computershare Investor Services Plc
PO Box 82
The Pavilions
Bridgewater Road
Bristol
BS99 7NH

Stockbrokers & financial advisers

Seymour Pierce
20 Old Bailey
London
EC4M 7EN

Bankers

HSBC plc
60 Queen Victoria Street
London
EC4N 4TR

Statutory auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Independent auditors' report

to the members of Jacques Vert Plc

We have audited the Group financial statements of Jacques Vert Plc for the 53 weeks ended 30 April 2011 which comprise the Group income statement, the Group statement of comprehensive income, the Group statement of changes in equity, the Group balance sheet, the Group statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 12, 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 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Group'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.

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 Group financial statements:

- give a true and fair view of the state of the Group's affairs as at 30 April 2011 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 year for which the Group financial statements are prepared is consistent with the Group 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:

- 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.

Other matter

We have reported separately on the parent company financial statements of Jacques Vert Plc for the 53 weeks ended 30 April 2011.

Fiona Kelsey

(Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

4 July 2011

Group income statement

For the 53 weeks ended 30 April 2011

| | Note | 53 weeks ended 30 April 2011 £000 | 52 weeks ended 24 April 2010 £000 |
|--|------|---|---|
| Continuing operations | | | |
| Revenue | | 118,371 | 115,320 |
| Cost of sales | | (44,003) | (41,815) |
| Gross profit | | 74,368 | 73,505 |
| Distribution costs | | (58,346) | (56,856) |
| Administrative expenses | | (10,638) | (11,302) |
| Operating profit | | 5,384 | 5,347 |
| Finance income | 4a | 118 | 19 |
| Finance costs | 4b | (224) | (247) |
| Profit before income tax | 5 | 5,278 | 5,119 |
| Income tax expense | 7 | (281) | (150) |
| Profit for the year attributable to equity holders of the Group | | 4,997 | 4,969 |
| Earnings per share for profit attributable to the equity holders of the Group during the year | | | |
| | | Pence | Pence |
| Basic earnings per share | 9 | 2.69 | 2.60 |
| Diluted earnings per share | 9 | 2.55 | 2.51 |

The notes on pages 20 to 40 form part of these financial statements.

The financial statements of the Company have been prepared under UK GAAP and are set out in the Annexure on pages 41 to 48.

Group statement of comprehensive income

For the 53 weeks ended 30 April 2011

| | 53 weeks ended 30 April 2011 £000 | 52 weeks ended 24 April 2010 £000 |
|--|---|---|
| Profit for the year | 4,997 | 4,969 |
| Actuarial gain/(loss) arising in defined benefit pension schemes (note 23) | 67 | (108) |
| Cash flow hedges | (618) | (2,102) |
| Currency translation differences | (355) | 330 |
| Other comprehensive expenses for the year, net of tax | (906) | (1,880) |
| Total comprehensive income for the year attributable to equity holders of the Group | 4,091 | 3,089 |

The notes on pages 20 to 40 form part of these financial statements.

Group statement of changes in equity

For the 53 weeks ended 30 April 2011

| | Share capital £000 | Share premium £000 | Merger reserve £000 | Hedge reserve £000 | Translation reserve £000 | Retained earnings £000 | Total equity £000 |
|---|-----------------------|-----------------------|------------------------|-----------------------|--------------------------------|------------------------------|----------------------|
| Balance at 25 April 2009 | 19,244 | 4,599 | 969 | 2,056 | 246 | (6,973) | 20,141 |
| Profit for the year | – | – | – | – | – | 4,969 | 4,969 |
| Actuarial loss on pension schemes | – | – | – | – | – | (108) | (108) |
| Net change in fair value of cash flow hedges | – | – | – | (3,037) | – | – | (3,037) |
| Fair value of cash flow hedges transferred to inventories | – | – | – | 935 | – | – | 935 |
| Exchange rate movements | – | – | – | – | 330 | – | 330 |
| Total comprehensive income for the 52 weeks to 24 April 2010 | – | – | – | (2,102) | 330 | 4,861 | 3,089 |
| Adjustment for employee share schemes | – | – | – | – | – | 243 | 243 |
| Purchase of shares in ESOP | – | – | – | – | – | (63) | (63) |
| Balance at 24 April 2010 | 19,244 | 4,599 | 969 | (46) | 576 | (1,932) | 23,410 |
| Profit for the year | – | – | – | – | – | 4,997 | 4,997 |
| Actuarial gain on pension schemes | – | – | – | – | – | 67 | 67 |
| Net change in fair value of cash flow hedges | – | – | – | (1,146) | – | – | (1,146) |
| Fair value of cash flow hedges transferred to inventories | – | – | – | 528 | – | – | 528 |
| Exchange rate movements | – | – | – | – | (355) | – | (355) |
| Total comprehensive income for the 53 weeks to 30 April 2011 | – | – | – | (618) | (355) | 5,064 | 4,091 |
| Dividend relating to 2010 | – | – | – | – | – | (1,196) | (1,196) |
| Adjustment for employee share schemes | – | – | – | – | – | 278 | 278 |
| Purchase of shares in ESOP | – | – | – | – | – | (1,055) | (1,055) |
| Balance at 30 April 2011 | 19,244 | 4,599 | 969 | (664) | 221 | 1,159 | 25,528 |

The merger reserve arose on a business combination prior to transition to IFRS, which had been accounted for according to the provisions of merger accounting.

The hedge reserve reflects the fair value of effective cash flow hedges, deferred in equity under the provisions of hedge accounting, less amounts recognised in hedged inventories, received prior to the year end.

The translation reserve reflects the cumulative movement in the value of foreign denominated subsidiaries in the financial statements from fluctuations in exchange rates.

Group balance sheet

At 30 April 2011

| | Note | 30 April 2011 £000 | 24 April 2010 £000 |
|--|------|-----------------------|-----------------------|
| Non current assets | | | |
| Goodwill | 11 | 2,431 | 2,431 |
| Property, plant and equipment | 12 | 5,087 | 3,175 |
| Deferred tax asset | 13 | 1,900 | 1,900 |
| | | 9,418 | 7,506 |
| Current assets | | | |
| Inventories | 14 | 24,580 | 22,489 |
| Trade and other receivables | 15 | 10,845 | 11,510 |
| Derivative financial instruments | 16 | 101 | 894 |
| Cash and cash equivalents | | 10,086 | 12,602 |
| | | 45,612 | 47,495 |
| Current liabilities | | | |
| Trade and other payables | 17 | (22,504) | (23,500) |
| Derivative financial instruments | 16 | (993) | (640) |
| | | (23,497) | (24,140) |
| Non-current liabilities | | | |
| Deferred income | 17 | (386) | (504) |
| Provisions for liabilities and charges | 19 | (5,260) | (6,303) |
| Pension schemes | 19 | (359) | (644) |
| | | (29,502) | (31,591) |
| Total liabilities | | (29,502) | (31,591) |
| Net assets | | 25,528 | 23,410 |
| Equity | | | |
| Called-up share capital | 20 | 19,244 | 19,244 |
| Share premium | | 4,599 | 4,599 |
| Merger reserve | | 969 | 969 |
| Hedge reserve | | (664) | (46) |
| Translation reserve | | 221 | 576 |
| Retained earnings | | 1,159 | (1,932) |
| Total equity | | 25,528 | 23,410 |

The notes on pages 20 to 40 form part of these financial statements.

The financial statements on pages 15 to 40 were approved by the Board on 4 July 2011 and were signed on its behalf by:

P C Allen
Director

I P Johnson
Director

Group statement of cash flows

For the 53 weeks ended 30 April 2011

| | Note | 53 weeks ended 30 April 2011 £000 | 52 weeks ended 24 April 2010 £000 |
|---|------|---|---|
| Cash flows from operating activities | | | |
| Net cash inflow from continuing operations | 26 | 2,972 | 9,411 |
| Interest paid | | – | (9) |
| Income tax paid | | (221) | (232) |
| Net cash generated from operating activities | | 2,751 | 9,170 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (2,938) | (1,078) |
| Interest received | | 118 | 19 |
| Net cash used in investing activities | | (2,820) | (1,059) |
| Cash flows from financing activities | | | |
| Dividends paid to the Company's shareholders | | (1,196) | – |
| Purchase of shares by ESOP Trust | 21 | (1,055) | (63) |
| Net cash used in financing activities | | (2,251) | (63) |
| Net (decrease)/increase in cash and cash equivalents | | (2,320) | 8,048 |
| Cash and cash equivalents at beginning of year | | 12,602 | 4,533 |
| Exchange rate movements on cash and cash equivalents | | (196) | 21 |
| Cash and cash equivalents at end of year | | 10,086 | 12,602 |

The notes on pages 20 to 40 form part of these financial statements.

Notes to the financial statements

For the 53 weeks ended 30 April 2011

1. ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU, International Financial Reporting Interpretations Committee (“IFRIC”) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared on a going concern basis and the principal accounting policies applied in the preparation of these consolidated financial statements under the historical cost convention are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The following new standards, amendments and interpretations issued by the International Accounting Standards Board (“IASB”) are mandatory for the first time for the financial year beginning 25 April 2010 but none has had a material effect on the results or the net assets of the Group:

- *IFRIC 16, “Hedges of net investment in a foreign operation”.*
- *IAS 39, “Financial Instruments: Recognition and measurements”* regarding eligible hedged items.
- *Amendments to IFRS 1, “First time adoption”* regarding disclosures on financial instruments.
- *IFRS 2, “Share-based payments”* regarding group cash-settled share-based payment transactions.

The following new interpretations are mandatory for the first time for the financial year beginning 25 April 2010, but are not currently relevant for the Group:

- *IFRIC 15, “Agreements for the construction of real estate”.*
- *IFRIC 17, “Distributions of non-cash assets to owners”.*
- *IFRIC 18, “Transfer of assets from customers”.*

The following new standards, amendments and interpretations have been issued, but are not effective for the financial year beginning 25 April 2010. They are not currently relevant to the Group:

- *Amendments to IAS 24 (revised), “Related party disclosures”.*
- *Amendments to IFRIC 14, “IAS19 – the limit on defined benefit assets”* regarding the pre-payment of the minimum funding requirement.
- *IFRIC 19, “Extinguishing financial liabilities with equity instruments”.*

Accounting convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value.

Basis of consolidation

The Group financial statements consolidate the results of Jacques Vert Plc (“the Company”) and its subsidiary undertakings (together “the Group”) under acquisition accounting for the 53 weeks ended 30 April 2011.

Under this method, the assets and liabilities of subsidiary undertakings acquired are incorporated at their fair value at the date of acquisition and the Group income statement includes only that proportion of the result of subsidiaries arising whilst meeting the definition of a subsidiary.

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Revenue recognition

Revenue represents sales by the Group to third parties, net of returns, trade discounts and value added tax.

Retail revenue is shown net of provisions for customer returns representing the Group’s estimate of the amount of product sold during the year that will be returned in the following year.

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which is generally when goods are delivered to the customer.

Finance income and expenses

Interest income and interest payable is recognised in the Group income statement as it accrues.

1. ACCOUNTING POLICIES CONTINUED

Share-based payments

The Group operates an equity settled Employee Share Ownership Plan (“ESOP”). The Group has also granted equity settled share options (“Options”). Share awards made under the ESOP and the Options are measured at fair value at the date of grant. The fair value is measured by use of the Black-Scholes model and expensed on a straight-line basis over the vesting period based on an estimate of the number of shares that will eventually vest.

The level of vesting is reviewed annually together with the value of employer NICs arising from the expected vesting and the charge is adjusted to reflect actual and estimated levels of vesting.

Shares held by the Employee Share Ownership Trust (“the Trust”) to meet the commitments of the ESOP are shown as a deduction from shareholders’ equity. The cost of the ESOP is borne by the Group.

Pensions

The Group operates several defined contribution and defined benefit schemes for its employees.

Defined contribution schemes are pension schemes under which the Group pays fixed contributions into separate entities. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Defined benefit schemes are pension schemes that are not defined contribution schemes.

The liability recognised in the balance sheet in respect of defined benefit pension schemes is the present value of the defined benefit obligation at the balance sheet date less the fair value of scheme assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the Group statement of comprehensive income in the period in which they arise.

Actuarial surpluses in defined benefit schemes are recognised in the Group balance sheet to the extent of the expected future cash receipts from the schemes.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisitions over the Group’s interest in the fair value of the identifiable assets and liabilities of the acquired entities at the date of acquisition.

Goodwill is recognised as an asset and is assessed for impairment at least annually. Any impairment is recognised immediately in the Group income statement and is not subsequently reversed.

Upon disposal of a subsidiary the attributable goodwill is included in the calculation of the profit or loss arising on disposal.

Taxation

The tax charge comprises current tax payable and movement on deferred tax.

The current tax payable is provided on taxable profits using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future periods has been entered into by the subsidiary.

I. ACCOUNTING POLICIES CONTINUED**Property, plant and equipment**

Property, plant and equipment are stated at the lower of cost less accumulated depreciation and recoverable amount. Cost includes the original purchase price of the asset plus the costs attributable to bring the asset into working condition for its intended use. Depreciation is calculated so as to write off the cost of property, plant and equipment less any residual value over their estimated useful economic lives by equal annual instalments at the following rates:

| | |
|-------------------------------|-------------------------------|
| Leasehold improvements | Remaining period of the lease |
| Plant, fixtures and equipment | 10% – 33% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Asset carrying values are written down immediately to the estimated recoverable amount where the estimated recoverable amount is less than the carrying value.

Operating leases

Rentals payable under operating leases are charged to the Group income statement on a straight-line basis over the life of the lease.

The value of any lease incentives received on leasehold properties is recognised as deferred income and released to the Group income statement on a straight-line basis over the life of the lease.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises the cost of direct materials and labour and an appropriate proportion of overheads. Net realisable value is the value at which inventories and work in progress can be realised in the ordinary course of business.

Trade receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. Trade receivables are recognised at fair value less any provision for impairment.

Foreign currencies

Transactions denominated in foreign currencies are translated at the exchange rates at the date of the transaction unless the transaction has been identified as a hedged item, in which case the transaction is translated at the effective exchange rate of the hedge instrument. Foreign exchange gains and losses arising from such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

The results and financial position of subsidiaries, which have a functional currency other than sterling are translated as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;
- income and expenses for each income statement presented are translated at weighted average exchange rates; and
- all resulting exchange differences are recognised as a separate component of equity until the disposal of the relevant subsidiary when they are recycled to the income statement

Trade payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are held at their nominal value.

Derivative financial instruments

The Group uses derivative financial instruments, in particular forward currency contracts, to manage the financial risks associated with the Group's underlying business activities and the financing of those activities. Such financial instruments are initially recorded at fair value and are thereafter revalued to fair value at each balance sheet date. The Group does not enter into speculative currency contracts.

Gains or losses on derivative financial instruments that are designated as effective hedges against future cash flows are recognised directly in equity ("hedge accounting"). Any gain or loss relating to an ineffective hedge or a derivative financial instrument that does not qualify for hedge accounting is immediately recognised in the Group income statement, and where material as an exceptional item.

I. ACCOUNTING POLICIES CONTINUED

Where a hedged commitment results in the recognition of an asset or a liability, the gain or loss on the hedge previously recognised in equity is thereafter included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or liability, amounts deferred in equity are recognised in the income statement in the same period in which the hedged commitment affects profit and loss.

Hedge accounting ceases in respect of a financial instrument when it expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. The cumulative gain or loss relating to the instrument that has previously been recognised in equity is retained in equity until the hedged transaction occurs, or hedge accounting ceases to apply.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Provisions

Provisions are recognised when either a legal or constructive obligation, as a result of a past event, exists at the balance sheet date and where the likely outcome and the amount of the obligation can be measured with reasonable certainty. Provisions are discounted at an appropriate discount rate.

Impairments

Impairments are made against Group assets as follows:

- Goodwill is allocated to the Group's cash generating units (CGUs) and the recoverable amount of each CGU is determined based on a value-in-use calculation where appropriate.
- Property, plant and equipment is tested when circumstances indicate a possible impairment. In those circumstances a value-in-use calculation is performed.

Assumptions used in the calculations to assess impairment of goodwill and property, plant and equipment are based on performance and the latest financial plans approved by the board. If the recoverable amount of a CGU is less than the carrying value of all assets allocated to that CGU, an impairment is recognised.

Goodwill is the first asset class to be impaired, followed by property, plant and equipment.

2. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements under IFRS requires management to make estimates that affect the reported amounts of assets and liabilities, income and expenses. These estimates are based on historical experience and various other factors that are believed to be reasonable in the particular circumstance. Actual results may differ from these estimates.

The Group's critical judgement areas relate to the recognition of pension scheme assets, legacy and other business provisions, including industrial disease claims together with an assessment of the highly probable nature of cash flow hedges as follows:

(a) Pension scheme assets – Jacques Vert (2006) Pension Scheme

Any repayment to the Group of the surplus held within the scheme at 30 April 2011 is at the discretion of the pension scheme Trustee. It is currently considered that no repayment will be made to the Group in the future. At 30 April 2011, the value of the surplus was £10,807,000 (2010: £8,277,000) (see note 23).

(b) Legacy and other business provisions

The level of provisions held against legacy and current activities is assessed with reference to payments made during the period, expectations of future payments and receipts, and, where relevant, to independent advice. At 30 April 2011, the value of such provisions was £5,260,000 (2010: £6,303,000) (see note 19).

(c) Cash flow hedges

Cash flow hedges are tested for effectiveness based on estimated currency requirements assuming a substantially consistent supplier base. At 30 April 2011, the net value of cash flow hedges was a liability of £892,000 (2010: net asset of £254,000) (see note 16).

3. SEGMENT INFORMATION

The Group considers that its operations comprise a single business segment as they meet the aggregation criteria included within IFRS 8 on the basis that the brands have similar economic characteristics and are similar in respect of the nature of their products, production processes, type of customer and method of distribution.

4. FINANCE INCOME AND COSTS

| | 53 weeks ended 30 April 2011 £000 | 52 weeks ended 24 April 2010 £000 |
|--|---|---|
| a) Finance income | | |
| Interest receivable | 118 | 19 |
| b) Finance costs | | |
| Interest payable | – | (10) |
| Unwinding of discount relating to provisions | (210) | (106) |
| Net finance cost of pension schemes | (14) | (131) |
| | (224) | (247) |

5. PROFIT BEFORE INCOME TAX

Profit before income tax is stated after charging the following:

| | 53 weeks ended 30 April 2011 £000 | 52 weeks ended 24 April 2010 £000 |
|---|---|---|
| Fees payable to Company auditor for the audit of parent company and consolidated financial statements | 80 | 76 |
| Fees payable to Company auditor and its associates for other services: | | |
| – the audit of the Company's subsidiaries pursuant to legislation | 4 | 4 |
| – other services pursuant to legislation | 15 | 16 |
| – tax services | 7 | 40 |
| – Other services provided by the Company's auditors | 12 | 48 |
| Depreciation of owned property, plant and equipment | 1,512 | 1,683 |
| Loss on disposal of property, plant and equipment | – | 16 |
| Rentals payable under operating leases | 4,502 | 4,652 |

Other services provided by the Company's auditor during the year ended 30 April 2011 relate to confirming store turnover to landlords.

6. STAFF NUMBERS AND COSTS

The average number of employees (including executive directors) and their aggregate remuneration was as follows:

| | 53 weeks ended 30 April 2011 Number | 52 weeks ended 24 April 2010 Number |
|---|---|---|
| Sales, distribution and administration | 234 | 213 |
| Retail | 969 | 1,001 |
| | 1,203 | 1,214 |
| | £000 | £000 |
| Wages and salaries | 22,535 | 22,614 |
| Social security costs | 1,473 | 1,370 |
| Pension costs | 502 | 225 |
| Charge relating to share-based payments (note 21) | 278 | 243 |
| | 24,788 | 24,452 |

Pension costs of £502,000 during the year to 30 April 2011 comprise payments to defined contribution schemes of £272,000, together with a service cost of £5,000 relating to defined benefit schemes (see note 23) plus £225,000 in respect of the marking-to-market of a phantom option over 10 million shares in Jacques Vert Plc (see note 19).

7. INCOME TAX EXPENSE

The tax charge comprises:

| | 53 weeks ended 30 April 2011 £000 | 52 weeks ended 24 April 2010 £000 |
|--|---|---|
| Current tax | | |
| Overseas tax charge | 281 | 150 |
| Deferred tax | | |
| Origination and reversal of timing differences | – | – |
| Total tax charge | 281 | 150 |

The tax assessed for the year is lower (2010: lower) than the standard rate of corporation tax in the UK of 28% (2010: 28%). The differences are explained below:

| | 53 weeks ended 30 April 2011 £000 | 52 weeks ended 24 April 2010 £000 |
|---|---|---|
| Profit on ordinary activities before tax | 5,278 | 5,119 |
| Profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 28% (2010: 28%): | 1,477 | 1,433 |
| Effects of: | | |
| Non-deductible expenditure | 191 | 88 |
| Non-taxable income | (24) | (446) |
| Overseas tax rates | 88 | 13 |
| Utilisation of short-term timing differences not recognised | (1,347) | (938) |
| Tax effect of rate change | (104) | – |
| | 281 | 150 |

8. DIRECTORS' EMOLUMENTS

The key management of the Group consists of the Directors, whose remuneration for the year is as follows:

| Salaries and other short-term benefits | Salary/fees £000 | Bonus £000 | Pension contributions ¹ £000 | Benefits in kind ² £000 | 2011 Total £000 | 2010 Total £000 |
|---|---------------------|---------------|---|--|-----------------------|-----------------------|
| Executive directors: | | | | | | |
| P Allen | 330 | 142 | 50 | 41 | 563 | 686 |
| I Johnson | 195 | 84 | 29 | 26 | 334 | 412 |
| Non-executive directors: | | | | | | |
| C Baker | 45 | – | – | 1 | 46 | 46 |
| S Bodger ³ | 55 | – | – | – | 55 | 55 |
| G Berkmen ⁴ | 30 | – | – | – | 30 | 13 |
| J Burley ⁵ | 30 | – | – | – | 30 | 13 |
| | 685 | 226 | 79 | 68 | 1,058 | 1,225 |
| S MacDonald ⁶ | – | – | – | – | – | 3 |
| | 685 | 226 | 79 | 68 | 1,058 | 1,228 |

Notes:

- Contributions to money purchase pension schemes.
- Benefits in kind typically include provision of a company car, fuel or allowances in lieu of these and private medical insurance.
- S Bodger's fees are paid to Stratys Ltd, a company in which S Bodger has a beneficial interest.
- G Berkmen was appointed to the Board on 18 November 2009.
- J Burley was appointed to the Board on 18 November 2009.
- S MacDonald resigned on 28 April 2009.

Performance related bonuses are at the discretion of the Remuneration Committee and are determined on the basis of targets agreed at the outset of the year for the achievement of financial performance and personal objectives.

Directors' beneficial interests

Directors' interests in the allotted share capital of the Company as at 30 April 2011 and 24 April 2010 were as follows:

| | 30 April 2011 | 24 April 2010 |
|-----------|---------------|---------------|
| P Allen | 1,307,794 | 1,157,794 |
| C Baker | 10,000 | 10,000 |
| G Berkmen | 10,000 | – |
| S Bodger | 200,000 | – |
| J Burley | 10,000 | – |
| I Johnson | 845,671 | 695,671 |

In addition to the above shareholdings, Directors held awards under the Long-term Incentive Plan (the "Plan") as follows:

| | At 30 April 2011 | At 24 April 2010 | Market value of shares at date of award | Date on which exercisable |
|-----------|------------------|------------------|---|---------------------------|
| P Allen | 616,327 | 616,327 | 9.88p | 18 August 2011 |
| P Allen | 709,043 | 709,043 | 5.75p | 17 August 2012 |
| P Allen | 371,692 | – | 16.25p | 8 August 2013 |
| I Johnson | 370,000 | 370,000 | 9.88p | 18 August 2011 |
| I Johnson | 425,661 | 425,661 | 5.75p | 17 August 2012 |
| I Johnson | 223,138 | – | 16.25p | 8 August 2013 |

Details of the performance criteria attaching to awards under the plan are set out in note 21. The performance criteria attached to the awards exercisable in August 2011 was met and the awards will vest.

8. DIRECTORS' EMOLUMENTS CONTINUED**Share-based payments – options over ordinary shares**

| | At 30 April 2011 | At 24 April 2010 | Exercise price | Date from which exercisable | Expiry date |
|-----------|------------------|------------------|----------------|-----------------------------|-----------------|
| P Allen | – | 3,000,000 | 15.25p | 17 October 2005 | 17 October 2012 |
| P Allen | – | 750,000 | 17.25p | 9 July 2007 | 9 July 2014 |
| P Allen | 1,312,500 | – | – | 29 June 2012 | – |
| P Allen | 1,312,500 | – | – | 29 June 2013 | – |
| I Johnson | – | 1,500,000 | 17.25p | 9 July 2007 | 9 July 2014 |
| I Johnson | 525,000 | – | – | 29 June 2012 | – |
| I Johnson | 525,000 | – | – | 29 June 2013 | – |

On 29 June 2010, the Remuneration Committee and Board of Directors adopted the rules of the Jacques Vert Plc 2010 Conversion Plan. The main impact of this was the cancellation of the outstanding vested market priced options and their replacement with a lower number of forfeitable non-priced options, granted on the basis of seven replacement nil-cost options for every ten existing options surrendered.

9. EARNINGS PER SHARE**Basic/diluted earnings per share**

The basic earnings per share have been calculated by dividing the profit after taxation for the year by the weighted average number of shares in issue during the year excluding those held by the Employee Share Ownership Trust ("the Trust"). At 30 April 2011 8,398,178 shares were held in the Trust (24 April 2010: 1,398,178) (see note 21).

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Group has two classes of dilutive potential ordinary shares: those share options granted to Directors where the exercise price is lower than the average market price of the Company's ordinary shares during the year and the awards under the Jacques Vert Plc Long-term Incentive Plan ("the Plan") to the extent that performance criteria attached to those awards are expected to be met.

| | 2011 £000 | 2010 £000 |
|---|------------------------|------------------------|
| Profit for the year | 4,997 | 4,969 |
| | Thousands of shares | Thousands of shares |
| Weighted average number of ordinary shares in issue | 192,444 | 192,444 |
| Adjustment for shares held by the Trust | (6,851) | (1,082) |
| Weighted average number of ordinary shares for basic earnings per share | 185,593 | 191,362 |
| Dilutive shares | 10,542 | 6,762 |
| Weighted average number of ordinary shares for diluted earnings per share | 196,135 | 198,124 |
| | Pence | Pence |
| Basic earnings per share | 2.69 | 2.60 |
| Diluted earnings per share | 2.55 | 2.51 |

10. DIVIDENDS

The Directors propose a final dividend of 0.67p per share (2010: 0.65p) amounting to £1,233,000 (2010: £1,196,000). The final dividend will be paid on 14 October 2011 to shareholders whose names are on the Register of Members at the close of business on 16 September 2011.

11. GOODWILL AND INVESTMENTS

€000

Goodwill – Cost and net book value

At 24 April 2010 and 30 April 2011

2,431

Goodwill arose on the purchase of William Baird Ltd (formerly William Baird PLC) on 12 December 2002.

Goodwill is not amortised, but tested annually for impairment, with the recoverable amount being determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rate, growth rates and changes in income and costs.

The Group prepares discounted cash flows based on financial forecasts. Cash flows are extrapolated using a growth rate of 2% (2010: 2%). The future cash flows have been discounted at a rate of 9.48% (2010: 9.48%), being the Group's weighted average cost of capital.

Investments

The principal subsidiary undertakings of which the ordinary share capital is wholly-owned are shown in note A5 of the Annexure to these financial statements.

12. PROPERTY, PLANT AND EQUIPMENT

| | Short leasehold €000 | Plant, fixtures and equipment €000 | Total €000 |
|---------------------------------|-------------------------|--|---------------|
| Cost | | | |
| At 25 April 2009 | 1,859 | 15,188 | 17,047 |
| Additions | 68 | 1,026 | 1,094 |
| Disposals | – | (94) | (94) |
| Exchange rate adjustments | – | 90 | 90 |
| At 24 April 2010 | 1,927 | 16,210 | 18,137 |
| Additions | 82 | 3,350 | 3,432 |
| Exchange rate adjustments | – | (12) | (12) |
| At 30 April 2011 | 2,009 | 19,548 | 21,557 |
| Accumulated depreciation | | | |
| At 25 April 2009 | 1,100 | 12,244 | 13,344 |
| Disposals | – | (78) | (78) |
| Charge for the year | 337 | 1,346 | 1,683 |
| Exchange rate adjustments | – | 13 | 13 |
| At 24 April 2010 | 1,437 | 13,525 | 14,962 |
| Charge for the year | 269 | 1,243 | 1,512 |
| Exchange rate adjustments | – | (4) | (4) |
| At 30 April 2011 | 1,706 | 14,764 | 16,470 |
| Net book value | | | |
| At 30 April 2011 | 303 | 4,784 | 5,087 |
| At 24 April 2010 | 490 | 2,685 | 3,175 |

13. DEFERRED TAX ASSETTotal
£000

At 24 April 2010 and 30 April 2011

| | |
|--|--------------|
| Depreciation in excess of capital allowances | 1,900 |
|--|--------------|

Deferred tax assets have been recognised only to the extent that it is more likely than not that they will be recoverable against future taxable profits.

Of the deferred tax asset, £610,000 (2010: £514,000) will be recoverable after 12 months from the balance sheet date.

Unrecognised deferred tax assets at 30 April 2011 are £9,076,000 (2010: £11,253,000), comprising:

| | 30 April 2011 £000 | 24 April 2010 £000 |
|--|-----------------------|-----------------------|
| Depreciation in excess of capital allowances | 4,628 | 6,799 |
| Tax losses | 3,188 | 2,907 |
| Other timing differences | 1,260 | 1,547 |
| | 9,076 | 11,253 |

Factors affecting future tax charges

The Group has charged depreciation in excess of capital allowances, the deferred tax assets on which have been recognised in part. This reflects the estimated recoverability of the assets in the foreseeable future. Where deferred tax assets have not been recognised this is due to uncertainty over the availability of suitable profits, matched to available tax allowances and losses, in the foreseeable future.

No deferred tax has been recognised on the unremitted earnings of overseas subsidiaries. No significant amounts of tax are expected to be payable due to availability of double tax relief and losses in the United Kingdom.

Legislation in the UK has been enacted to cut the main rate of corporation tax to 27% from April 2011. There will be further cuts in the main rate in future years which may affect further tax charges and the deferred tax asset. Further, a resolution passed by parliament on 29 March 2011 reduced the main rate of corporation tax to 26% from 2011, however this was not substantively enacted by the balance sheet date. Accordingly, the deferred tax balances recognised and not recognised at 30 April 2011, included within these financial statements, have been calculated at a rate of 26% (2010: 28%).

14. INVENTORIES

Inventories comprise finished goods valued at £24,580,000 (2010: £22,489,000). The cost of inventories recognised as an expense and included within cost of sales amounted to £43,047,000 (2010: £39,697,000).

15. TRADE AND OTHER RECEIVABLES

| | 30 April 2011 £000 | 24 April 2010 £000 |
|-------------------|-----------------------|-----------------------|
| Trade receivables | 8,161 | 9,070 |
| Other receivables | 149 | 15 |
| Prepayments | 2,535 | 2,425 |
| | 10,845 | 11,510 |

All trade and other receivables are due within one year. No provision is held against trade receivables at 30 April 2011 (2010: £nil).

16. DERIVATIVE FINANCIAL INSTRUMENTS

| | 30 April 2011 | | 24 April 2010 | |
|---|----------------|---------------------|----------------|---------------------|
| | Assets £000 | Liabilities £000 | Assets £000 | Liabilities £000 |
| Forward foreign exchange contracts – cash flow hedges | 101 | (993) | 894 | (640) |

Derivative financial instruments are used to hedge exposure to fluctuations in foreign exchange rates that arise in the normal course of the Group's business.

An analysis of financial instruments held and the Group's risk management policies is given in note 22.

Gains and losses on forward foreign exchange contracts as at 30 April 2011 are held in equity and will be released to the Group income statement as the hedged transactions fall due, which is up to 18 months after the balance sheet date. The ineffective portion arising from cash flow hedges recognised in the Group income statement is £nil (2010: £nil).

17. TRADE AND OTHER PAYABLES

| | 30 April 2011 £000 | 24 April 2010 £000 |
|------------------------------------|-----------------------|-----------------------|
| Current: | | |
| Trade payables | 14,111 | 13,159 |
| Overseas corporation tax creditor | 122 | 62 |
| Other taxation and social security | 1,780 | 1,461 |
| Other creditors | 258 | 1,756 |
| Accruals | 6,115 | 6,688 |
| Deferred income | 118 | 374 |
| | 22,504 | 23,500 |
| Non-current: | | |
| Deferred income | 386 | 504 |

18. BORROWING FACILITIES

The Group has recently renewed debt facilities totalling £18 million with HSBC plc ("the Bank"). These comprise a £3 million overdraft and £15 million import line. The Bank has also agreed a \$15 million forward exchange contract facility. All facilities are due for renewal on 31 July 2011.

Bank borrowings are secured by debentures and fixed and floating charges over the Group's assets. Certain Group companies have also given unlimited multilateral cross guarantees to the Bank as security for their liabilities.

19. PROVISIONS FOR LIABILITIES AND CHARGES

| | Pension schemes £000 | Legacy business provisions £000 | Total £000 |
|--|-------------------------|---------------------------------------|---------------|
| At 25 April 2009 | 434 | 7,623 | 8,057 |
| Utilised | (229) | (1,383) | (1,612) |
| Charged/(credited) to the income statement | 331 | (43) | 288 |
| Actuarial loss on pension schemes | 108 | – | 108 |
| Discount unwinding | – | 106 | 106 |
| At 24 April 2010 | 644 | 6,303 | 6,947 |
| Utilised | (232) | (1,341) | (1,573) |
| Charged to the income statement | 14 | 88 | 102 |
| Actuarial gain on pension schemes | (67) | – | (67) |
| Discount unwinding | – | 210 | 210 |
| At 30 April 2011 | 359 | 5,260 | 5,619 |

Legacy business provisions relate to costs faced by the Group which do not relate to current trading activity. They include: the costs of onerous leasehold property including dilapidations; potential claims against the Group in respect of industrial diseases; and the expected cost to the Group associated with the Group's pension schemes.

The charge made during the year to 30 April 2011 comprised the movement in fair value of the phantom option over 10 million shares in Jacques Vert Plc granted to the Trustee of the Jacques Vert (2006) Pension Scheme, together with costs expected in connection with the Group's pension schemes, less a release following the settlement of an onerous lease during the year.

Of the legacy business provisions held at the year end, £350,000 is expected to be utilised within the next 12 months. The remaining provisions are expected to be utilised within 20 years.

See note 23 for further details relating to the movements on the Group's pension schemes during the year.

20. CALLED-UP EQUITY SHARE CAPITAL

| | 30 April 2011 £000 | 24 April 2010 £000 |
|---|-----------------------|-----------------------|
| Authorised: | | |
| 250,000,000 (2010: 250,000,000) Ordinary shares of 10p each | 25,000 | 25,000 |
| Allotted and fully paid: | | |
| 192,444,078 (2010: 192,444,078) Ordinary shares of 10p each | 19,244 | 19,244 |

All ordinary shares and the share premium thereon rank equally as a single class of equity.

21. LONG-TERM INCENTIVE PLAN

The Jacques Vert Plc Employee Share Ownership Plan Trust (“the Trust”) holds shares for its own benefit in order to partly hedge the Group’s obligations under the Long-term Incentive Plan (“the Plan”). Movements in the holdings of the Trust during the year ended 30 April 2011 were as follows:

| | Number of shares | Purchase cost £000 | Nominal value £000 | % of total issued share capital % |
|-------------------------|------------------|-----------------------|-----------------------|---|
| At 24 April 2010 | 1,398,178 | 117 | 14 | 0.72 |
| Purchases | 7,000,000 | 1,055 | 70 | 3.64 |
| At 30 April 2011 | 8,398,178 | 1,172 | 84 | 4.36 |

The shares held by the Trust are taken as a deduction from shareholders’ equity. The market value of the shares held at 30 April 2011 was £1,470,000 (24 April 2010: £210,000).

Under the terms of the Plan, shares in the Company (“Restricted Shares”) can be awarded, for nil consideration, subject to defined performance criteria. Members of the Plan are also invited to purchase shares in Jacques Vert Plc (“Invested Shares”) which are held by the Trust for their benefit. These shares entitle the employee to be awarded an equal number of shares (“Matching Shares”), for nil consideration, subject to the same performance criteria, as follows:

- The criteria for the August 2008 awards is based on the period between April 2008 and April 2011 and gives rise to a vesting of shares provided that the adjusted EPS for the year ending April 2011 is no lower than the adjusted EPS for the year ended 26 April 2008. The performance criteria attached to the awards has been met and the awards will vest.
- The criteria for the August 2009 awards is based on the period between April 2009 and April 2012 and gives rise to 50% vesting of Restricted Shares on an incremental basis provided a minimum 6.66% compound growth in undiluted adjusted EPS has been achieved. Full vesting of shares occurs if the overall compound growth in undiluted adjusted EPS is 10.0% or greater.
- The criteria for the August 2010 awards is based on the period between April 2010 and April 2013 and gives rise to 50% vesting of Restricted Shares on an incremental basis provided a minimum 4% compound growth in basic EPS has been achieved. Full vesting of shares occurs if the overall compound growth in basic EPS is 6% or greater.

During the year 1,775,963 awards were granted to employees at a fair value of £288,000 based on the share price of 16.25p at the date of the award.

A charge of £278,000 (2010: £243,000), relating to equity-settled share-based payments was made to the Group income statement during the year ended 30 April 2011.

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**a) Financial assets and liabilities**

The financial assets and liabilities of the Group are as follows:

| | 30 April 2011 £000 | 24 April 2010 £000 |
|---|-----------------------|-----------------------|
| Trade and other receivables – due within one year | 8,310 | 9,085 |
| Derivative financial instruments | 101 | 894 |
| Cash and cash equivalents | 10,086 | 12,602 |
| | 18,497 | 22,581 |
| Trade and other payables | (20,988) | (22,481) |
| Derivative financial instruments | (993) | (640) |
| | (21,981) | (23,121) |

Trade receivables comprise short-term debtor balances, which are receivable within three months of the year end. The carrying value of short-term non-derivative financial assets and liabilities is considered to approximate the fair values.

The fair values of derivative financial assets and liabilities, comprising forward contracts for foreign exchange, are based on the relevant exchange rates at 30 April 2011.

The maturity profile of the financial liabilities with maturities in part greater than one year is as follows:

| | Total £000 | Within one year £000 | Between one and two years £000 | Between two and five years £000 | Greater than five years £000 |
|---|---------------|-------------------------|--------------------------------------|---------------------------------------|------------------------------------|
| Trade and other payables | | | | | |
| At 30 April 2011 | (20,988) | (20,602) | (102) | (246) | (38) |
| At 24 April 2010 | (22,481) | (21,977) | (118) | (277) | (109) |
| Derivative financial instruments | | | | | |
| At 30 April 2011 | (993) | (920) | (73) | – | – |
| At 24 April 2010 | (640) | (640) | – | – | – |

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT CONTINUED**b) Market risk**

Market risk comprises the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. At the balance sheet date, the only significant market risk to the Group arises from future commercial transactions or recognised assets or liabilities denominated in a currency that is not the Group's functional currency.

The Group operates internationally and is therefore exposed to foreign currency risk on purchases primarily denominated in US dollars and Hong Kong dollars; and sales denominated in Canadian dollars and Euros.

The Board reviews and agrees policies for managing exchange rate risk on a regular basis. All transactions in derivatives, principally forward exchange contracts, are taken solely to manage these risks. The Group's policy is to hedge substantially all of the risks of such currency fluctuation by using forward contracts in each major foreign currency. No transactions of a speculative nature are entered into.

i) Exposure to foreign currency risk

As at 30 April 2011, the sterling value of net financial assets and liabilities that are not denominated in the Group's functional currency are as follows:

| | Hong Kong dollar £000 | US dollar £000 | Canadian dollar £000 | Euro £000 |
|--------------------------------|--------------------------|-------------------|-------------------------|--------------|
| Trade receivables | – | – | 1,141 | 701 |
| Trade payables | (4,891) | (1,902) | (162) | (494) |
| Fair value of cash flow hedges | (557) | (321) | (14) | – |
| Cash and cash equivalents | 188 | 1,922 | 2,631 | 1,123 |
| At 30 April 2011 | (5,260) | (301) | 3,596 | 1,330 |
| At 24 April 2010 | (3,632) | (238) | 1,260 | 1,012 |

ii) Exposure to interest rate risk

There were no fixed rate financial assets or liabilities at 30 April 2011 or 24 April 2010. Financial assets on which no interest is received are due on demand. Floating rate financial assets attract interest based on local base interest rates.

c) Credit risk

Credit risk arises on credit exposure to customers including outstanding receivables and committed transactions. No provision is held against trade receivables, which are predominantly due for payment within three months.

d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities. Due to the dynamic nature of the underlying business, flexibility in funding is maintained under credit facilities as set out in note 18.

The Board monitors rolling forecasts of the Group's availability of funding (comprising undrawn borrowing facilities plus cash and cash equivalents) on the basis of expected cash flows.

23. PENSION COSTS

The Group operates two funded defined benefit pension schemes – the Jacques Vert Pension Scheme and the Jacques Vert (2006) Pension Scheme.

Jacques Vert Plc also operates a defined contribution pension scheme. Contributions during the year to the defined contribution scheme amounted to £99,000 (2010: £84,000).

The Jacques Vert (2006) Pension Scheme was established during the year ended 26 April 2008 in respect of certain members of the former Baird Group Pension Scheme, a scheme that is currently being wound up pursuant to a compromise agreement between Jacques Vert Plc and the Trustee of the Baird Group Pension Scheme dated 7 July 2006.

Additionally, unfunded arrangements exist in respect of a small number of former employees.

Information required by IAS 19 “Employee benefits” in relation to the defined benefit schemes is provided annually using an actuarial estimate provided by an independent actuary. All actuarial gains and losses are recognised in the Group statement of comprehensive income in the period in which they arise.

The major assumptions used in producing the actuarial estimates of the defined benefit schemes were:

| | At 30 April 2011 | At 24 April 2010 | At 25 April 2009 | At 26 April 2008 | At 28 April 2007 |
|--|------------------|------------------|------------------|------------------|------------------|
| Rate of salary increase ¹ | 3.4% | 3.6% | 2.9% | 2.9% | 0.0% |
| Rate of increase in pensions in payment ² | 3.4% | 3.6% | 3.0% | 3.7% | 3.2% |
| Discount rate | 5.5% | 5.6% | 6.6% | 6.7% | 5.5% |
| Inflation assumption – RPI | 3.4% | 3.6% | 2.9% | 3.7% | 3.2% |
| Inflation assumption – CPI | 2.7% | N/A | N/A | N/A | N/A |

¹ Applies to Jacques Vert (2006) Pension Scheme only.

² Applies to Jacques Vert Pension Scheme only. For pensions which increase in line with CPI, a rate of 2.7% has been assumed.

Assumptions regarding future mortality rates are set based on advice from the scheme actuaries, published statistics and experience in the industry. Specifically, mortality tables PA92, YOB with medium cohort have been used in the valuations at 30 April 2011. These tables use the mortality assumption at average ages of deferred and pensioner members as follows:

| | Male | Female |
|-----------------|--------------------|--------------------|
| Deferred member | 86 years, 6 months | 90 years, 2 months |
| Retired member | 87 years, 5 months | 90 years, 3 months |

The assets of the schemes and the expected rates of return based on the above assumptions were:

| | At 30 April 2011 | | At 24 April 2010 | |
|-------------------------------------|------------------|---------------------------------|------------------|---------------------------------|
| | Value £000 | Expected rate of return % | Value £000 | Expected rate of return % |
| Jacques Vert Pension Scheme | | | | |
| Equities | 284 | 7.0 | 685 | 7.8 |
| Diversified growth assets | 1,221 | 6.0 | – | – |
| Fixed interest | 140 | 4.0 | – | – |
| Bonds | 173 | 5.5 | 182 | 4.4 |
| Cash and other | 17 | 3.9 | 689 | 4.1 |
| Total market value of assets | 1,835 | | 1,556 | |

23. PENSION COSTS CONTINUED

| | At 30 April 2011 | | At 24 April 2010 | |
|---|------------------|---------------------------------|------------------|---------------------------------|
| | Value £000 | Expected rate of return % | Value £000 | Expected rate of return % |
| Jacques Vert (2006) Pension Scheme | | | | |
| Equities | 12,126 | 7.0 | 5,289 | 7.7 |
| Bonds | 17,022 | 5.3 | 52,738 | 5.1 |
| Others | 34,887 | 4.6 | 5,398 | 5.3 |
| Total market value of assets | 64,035 | | 63,425 | |

Other assets includes investments in Fixed Income funds valued at £32,572,000 at 30 April 2011 (2010: £nil).

Valuations of the schemes were:

| | Jacques Vert (2006) Pension Scheme | | Jacques Vert Pension Scheme | |
|-------------------------------------|------------------------------------|--------------------------|-----------------------------|-----------------------|
| | At 30 April 2011 £000 | At 24 April 2010 £000 | At 30 April 2011 £000 | At 24 April 2010 % |
| Present value of scheme liabilities | (53,228) | (55,148) | (2,003) | (1,969) |
| Fair value of scheme assets | 64,035 | 63,425 | 1,835 | 1,556 |
| Surplus/(deficit) | 10,807 | 8,277 | (168) | (413) |

Pension surpluses in defined benefit schemes are recognised to the extent of the expected future cash receipts from the scheme. The Jacques Vert (2006) Pension Scheme is not expected to make any future payments to the Group and accordingly the surplus on that scheme has not been recognised in the Group balance sheet.

Expected contributions to defined benefit schemes during the year ending April 2012 are £197,000.

The amounts charged to the Group income statement are determined as follows:

| | 53 weeks ended 30 April 2011 | | | 52 weeks ended 24 April 2010 |
|--|---|--|---------------|---------------------------------|
| | Jacques Vert (2006) Pension Scheme £000 | Jacques Vert Pension Scheme £000 | Total £000 | Total £000 |
| Expected return on pension scheme assets | 2,970 | 95 | 3,065 | 2,878 |
| Interest on pension scheme liabilities | (2,970) | (109) | (3,079) | (3,009) |
| Net finance charge | – | (14) | (14) | (131) |

Changes in the present values of the schemes' liabilities are as follows:

| | 53 weeks ended 30 April 2011 | | | 52 weeks ended 24 April 2010 |
|--|---|--|---------------|---------------------------------|
| | Jacques Vert (2006) Pension Scheme £000 | Jacques Vert Pension Scheme £000 | Total £000 | Total £000 |
| Present values of schemes' liabilities at beginning of period | 55,148 | 1,969 | 57,117 | 47,707 |
| Interest cost | 2,970 | 109 | 3,079 | 3,009 |
| Benefits paid | (3,780) | (47) | (3,827) | (4,234) |
| Service cost | 5 | – | 5 | 6 |
| Actuarial (gain)/loss | (1,115) | (28) | (1,143) | 10,629 |
| Present values of schemes' liabilities at end of period | 53,228 | 2,003 | 55,231 | 57,117 |

23. PENSION COSTS CONTINUED

Changes in the present values of the schemes assets are as follows:

| | 53 weeks ended 30 April 2011 | | | 52 weeks ended 24 April 2010 |
|---|---|--|---------------|---------------------------------|
| | Jacques Vert (2006) Pension Scheme £000 | Jacques Vert Pension Scheme £000 | Total £000 | Total £000 |
| Present values of schemes' assets at beginning of period | 63,425 | 1,556 | 64,981 | 59,054 |
| Expected return on assets | 3,283 | 95 | 3,378 | 2,878 |
| Contributions | 175 | 192 | 367 | 369 |
| Benefits paid | (3,780) | (47) | (3,827) | (4,234) |
| Actuarial gain | 932 | 39 | 971 | 6,914 |
| Present values of schemes' assets at end of period | 64,035 | 1,835 | 65,870 | 64,981 |
| Actual return on schemes' assets | 4,674 | 134 | 4,808 | 9,792 |

The amount recognised in the Group statement of comprehensive income comprises:

| | 53 weeks ended 30 April 2011 | | | 52 weeks ended 24 April 2010 |
|--|---|--|---------------|---------------------------------|
| | Jacques Vert (2006) Pension Scheme £000 | Jacques Vert Pension Scheme £000 | Total £000 | Total £000 |
| Actuarial gain on assets | 932 | 39 | 971 | 6,914 |
| Actuarial gain/(loss) on liabilities | 1,115 | 28 | 1,143 | (10,629) |
| Movement on unrecognised pension surplus | (2,047) | – | (2,047) | 3,607 |
| | – | 67 | 67 | (108) |

The provision for pension schemes comprises:

| | 30 April 2011 £000 | 24 April 2010 £000 |
|---|-----------------------|-----------------------|
| Net surplus on defined benefit pension schemes | 10,639 | 7,864 |
| Surplus not recognised | (10,807) | (8,277) |
| Provision for unfunded schemes and liabilities | (191) | (231) |
| Provisions for pension schemes (see note 19) | (359) | (644) |

23. PENSION COSTS CONTINUED

The valuation of the schemes under IAS 19 varies if the main financial assumptions change, particularly the discount rate. If the assumed discount rate were to be increased/decreased by 0.1% the IAS 19 surplus would increase/decrease by approximately £800,000 as at 30 April 2011.

The cumulative actuarial loss on the Jacques Vert Pension Scheme recognised in the Group statement of comprehensive income is £227,000 (2010: loss of £294,000).

| | 53 weeks ended 30 April 2011 | 52 weeks ended 24 April 2010 | 52 weeks ended 25 April 2009 | 52 weeks ended 26 April 2008 | 52 weeks ended 28 April 2007 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | Total £000 | Total £000 | Total £000 | Total £000 | Total £000 |
| History of pension surplus: | | | | | |
| Experience adjustments arising on schemes' assets | | | | | |
| Amount | 971 | 6,914 | (7,959) | 868 | (10,836) |
| Percentage of schemes' assets | 1.5% | 10.6% | (13.5%) | 1.1% | (10.1%) |
| Experience adjustments arising on schemes' liabilities | | | | | |
| Amount | 1,143 | (10,629) | 713 | 7,944 | 13,085 |
| Percentage of schemes' liabilities | (2.1%) | 18.6% | 1.5% | 12.2% | 13.3% |
| Present values of schemes' liabilities | (55,231) | (57,117) | (47,707) | (65,263) | (98,223) |
| Present values of schemes' assets | 65,870 | 64,981 | 59,054 | 81,975 | 106,869 |
| Total net surplus | 10,639 | 7,864 | 11,347 | 16,712 | 8,646 |

24. COMMITMENTS

(a) Capital expenditure contracted for by the Group at 30 April 2011 but not yet incurred, amounted to £1,121,000 (2010: £484,000).

(b) The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

| | 2011 | | 2010 | |
|--------------------------|--------------------------|---------------|--------------------------|---------------|
| | Land & buildings £000 | Other £000 | Land & buildings £000 | Other £000 |
| Within one year | 113 | 109 | 151 | 131 |
| Within two to five years | 3,891 | 168 | 6,372 | 100 |
| After five years | 14,459 | – | 22,302 | – |
| | 18,463 | 277 | 28,825 | 231 |

25. RELATED PARTY TRANSACTIONS

Details of Directors' shareholdings and their entitlement to share options are set out in note 8.

Information relating to the pension scheme arrangements is disclosed in note 23. Other than the transactions described in note 23 there have been no transactions between the Group or its related parties and any employee pension schemes.

26. NOTES TO THE CASH FLOW STATEMENT

| | 53 weeks ended 30 April 2011 Total £000 | 52 weeks ended 24 April 2010 Total £000 |
|--|--|--|
| Reconciliation of operating profit to net cash inflow from operating activities | | |
| Continuing operations | | |
| Operating profit | 5,384 | 5,347 |
| Loss on disposal of property, plant and equipment | – | 16 |
| Depreciation charge | 1,512 | 1,683 |
| Change in inventories | (1,685) | 2,099 |
| Change in debtors | 628 | (990) |
| Change in creditors | (1,660) | 2,468 |
| Change in provisions | (1,485) | (1,455) |
| Charge relating to share-based payments | 278 | 243 |
| Net cash inflow from operating activities | 2,972 | 9,411 |

Independent auditors' report

to the members of Jacques Vert Plc

We have audited the parent company financial statements of Jacques Vert Plc for the 53 weeks ended 30 April 2010 which comprise the balance sheet and the 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 12, the Directors are responsible for the preparation of the parent company 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 parent 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.

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 parent company financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2011;
- 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 year for which the parent company financial statements are prepared is consistent with the parent company 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Other matter

We have reported separately on the Group financial statements of Jacques Vert Plc for the 53 weeks ended 30 April 2011.

Fiona Kelsey (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

4 July 2011

Company balance sheet

At 30 April 2011

| | Note | 30 April 2011 £000 | 24 April 2010 £000 |
|---|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Goodwill | A3 | 32,064 | 34,068 |
| Tangible assets | A4 | 4,698 | 2,646 |
| Investments | A5 | 17,258 | 17,258 |
| | | 54,020 | 53,972 |
| Current assets | | | |
| Stocks – finished goods | | 24,592 | 21,958 |
| Debtors | A6 | 21,512 | 21,658 |
| Cash at bank and in hand | | 27,121 | 30,507 |
| | | 73,225 | 74,123 |
| Creditors: amounts due within one year | A7 | (21,414) | (21,916) |
| | | 51,811 | 52,207 |
| Net current assets | | | |
| | | 105,831 | 106,179 |
| Total assets less current liabilities | | | |
| Creditors: amount due after one year | | (67,607) | (67,946) |
| Amounts due to subsidiary undertakings | | | |
| Provisions for liabilities and charges | A8 | (4,277) | (5,519) |
| | | 33,947 | 32,714 |
| Net assets | | | |
| Capital and reserves | | | |
| Called-up equity share capital | | 19,244 | 19,244 |
| Share premium account | A10 | 4,599 | 4,599 |
| Merger reserve | A10 | 969 | 969 |
| Profit and loss account | A10 | 9,135 | 7,902 |
| | | 33,947 | 32,714 |
| Total shareholders' funds | | | |

In accordance with s408 of the Companies Act 2006, the profit and loss account of the Company has not been presented.

The notes on pages 43 to 48 form part of these financial statements.

Approved by the Board on 4 July 2011

P C Allen
Director

I P Johnson
Director

Notes to the financial statements of the parent company

For the 53 weeks ended 30 April 2011

A1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice under the historical cost accounting convention on a going concern basis and in accordance with the Companies Act 2006 and applicable accounting standards.

Pensions

The Group operates several defined contribution and defined benefit schemes for its employees.

Defined contribution schemes are pension schemes under which the Company pays fixed contributions into separate entities. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to the employee service in the current and prior periods. Defined benefit schemes are pension schemes that are not defined contribution schemes.

The liability recognised in the balance sheet in respect of defined benefit pension schemes is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the period in which they arise.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at the lower of cost less accumulated depreciation and recoverable amount. Cost includes the original purchase price of the asset plus the costs attributable to bring the asset into working condition for its intended use. Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful economic lives by equal annual instalments at the following rates:

| | |
|-------------------------------|-------------------------------|
| Leasehold improvements | Remaining period of the lease |
| Plant, fixtures and equipment | 10% – 33% |

Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the life of the lease.

Rent free periods on short leasehold properties are treated as deferred income and released to the profit and loss account on a straight-line basis up to the date of the first rent review.

Goodwill

Goodwill is treated as an intangible asset in the balance sheet and written off to the profit and loss account over 20 years.

Investments in subsidiary undertakings

Investments are held at cost, less any provisions made for impairment.

Turnover

Turnover represents sales by the Company to third parties, net of returns, trade discounts and value added tax.

In accordance with FRS 5 Application Note G “Revenue Recognition” sales through retail outlets are shown net of unredeemed customer loyalty vouchers and a provision for customer returns representing the Company’s estimate of the amount of product sold during the year which will be returned in the following year.

Turnover is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer which is generally when goods are delivered to the customer.

I. ACCOUNTING POLICIES CONTINUED

Finance income and expenses

Interest income and interest payable is recognised in the profit and loss account as it accrues.

Dividend income is recognised in the profit and loss account on the date at which the entity's right to receive payments is established.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost comprises the cost of direct materials and labour and an appropriate proportion of overheads. Net realisable value is the value at which stocks and work-in-progress can be realised in the ordinary course of business.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date or at the contracted rate if the asset/liability is covered by a forward exchange contract. Exchange differences on trading items are dealt with in the profit and loss account at the exchange rate on the date of transaction.

Impairment of fixed assets and goodwill

Fixed assets and goodwill are subject to review for impairment in accordance with FRS 11 "Impairment of fixed assets and goodwill". Any impairment is recognised in the profit and loss account in the year in which it occurs.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exceptions:

- Provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only if, at the balance sheet date, there is a commitment to dispose of the replacement assets.
- Provision is made for deferred tax that would arise on remittance of net earnings from overseas subsidiaries, associates and joint ventures, only to the extent that at the balance sheet date dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Employee Share Ownership Plan ("ESOP")

Shares held on behalf of the ESOP are shown as a deduction from Shareholders' funds. The cost of the ESOP is borne by the Company.

Provisions

Provisions are recognised when either a legal or constructive obligation, as a result of a past event, exists at the balance sheet date and where the likely outcome and the amount of the obligation can be measured with reasonable certainty. Provisions are discounted at an appropriate rate.

Financial instruments and risk management

The risk management policies and practice of the Company are the same as that of the Group and are set out in note 22 of the Group financial statements.

An analysis of financial instruments is given in note 22 of the Group financial statements.

A2. PROFIT AND LOSS

The Company recorded a profit of £3,139,000 in the year ended 30 April 2011 (2010: £2,391,000).

During the year the company received a dividend of C\$1,000,000 from its wholly-owned subsidiary Jacques Vert (Canada) Inc.

A3. GOODWILL

| | Total £000 |
|------------------------------------|---------------|
| Cost | |
| At 24 April 2010 and 30 April 2011 | 40,080 |
| Accumulated amortisation | |
| At 24 April 2010 | 6,012 |
| Charged in year | 2,004 |
| At 30 April 2011 | 8,016 |
| Net book value | |
| At 30 April 2011 | 32,064 |
| At 24 April 2010 | 34,068 |

Goodwill arose on the purchase of various trade and business assets from other Group companies on 29 April 2007.

A4. TANGIBLE ASSETS

| | Short leasehold £000 | Plant, fixtures and equipment £000 | Total £000 |
|---------------------------------|-------------------------|--|---------------|
| Cost | | | |
| At 24 April 2010 | 935 | 8,490 | 9,425 |
| Additions | 82 | 3,336 | 3,418 |
| At 30 April 2011 | 1,017 | 11,826 | 12,843 |
| Accumulated depreciation | | | |
| At 24 April 2010 | 680 | 6,099 | 6,779 |
| Charge for the year | 231 | 1,135 | 1,366 |
| At 30 April 2011 | 911 | 7,234 | 8,145 |
| Net book value | | | |
| At 30 April 2011 | 106 | 4,592 | 4,698 |
| At 24 April 2010 | 255 | 2,391 | 2,646 |

A5. INVESTMENTS

£000

Investments in subsidiary undertakings

At 24 April 2010 and 30 April 2011

17,258

The principal subsidiary undertakings of which all the ordinary share capital is wholly-owned and which are incorporated and operate in the United Kingdom, are as follows:

| | Country of incorporation | Nature of business |
|--|--------------------------|------------------------|
| Jacques Vert (Canada) Inc. | Canada | Retailing |
| William Baird Ltd (formerly William Baird PLC) | United Kingdom | Investment Holding Co. |

The Directors believe that the carrying value of investments is supported by their underlying net assets.

A6. DEBTORS

| | 30 April 2011 £000 | 24 April 2010 £000 |
|------------------------------------|-----------------------|-----------------------|
| Trade debtors | 7,471 | 8,247 |
| Amounts owed by Group undertakings | 9,465 | 9,029 |
| Other debtors | 149 | 14 |
| Prepayments | 2,527 | 2,468 |
| Deferred tax asset (see note A9) | 1,900 | 1,900 |
| | 21,512 | 21,658 |

Of the deferred tax asset, £610,000 (2010: £514,000) is recoverable after 12 months from the balance sheet date.

A7. TRADE AND OTHER CREDITORS

| | 30 April 2011 £000 | 24 April 2010 £000 |
|-------------------------------------|-----------------------|-----------------------|
| Amounts due within one year: | | |
| Trade creditors | 14,085 | 13,134 |
| Overseas corporation tax creditor | 203 | 45 |
| Other taxation and social security | 1,738 | 1,392 |
| Other creditors | 203 | 1,833 |
| Amounts due to Group undertakings | – | 96 |
| Accruals | 5,185 | 5,416 |
| | 21,414 | 21,916 |

A8. PROVISIONS FOR LIABILITIES AND CHARGES

| | Pension schemes £000 | Legacy business provisions £000 | Total £000 |
|-----------------------------------|-------------------------|---------------------------------------|---------------|
| At 24 April 2010 | 413 | 5,106 | 5,519 |
| Utilised | (192) | (1,179) | (1,371) |
| Charge to profit and loss account | 14 | 88 | 102 |
| Actuarial gain | (67) | – | (67) |
| Discount unwinding | – | 94 | 94 |
| At 30 April 2011 | 168 | 4,109 | 4,277 |

Of the provisions held at year end £270,000 is expected to be utilised within the next 12 months. The remaining provisions are expected to be utilised within 12 years.

The charge made during the year to 30 April 2011 comprised the movement in fair value of the phantom option over 10 million shares in Jacques Vert Plc granted to the Trustee of the Jacques Vert (2006) Pension Scheme, together with costs expected in connection with the Group's pension schemes, less a release following the settlement of an onerous lease during the year.

A9. DEFERRED TAX**Deferred tax asset**

| | £000 |
|--|-------|
| At 24 April 2010 and 30 April 2011 | |
| Capital allowances in excess of depreciation | 1,900 |

Unrecognised deferred tax assets within the Company comprise:

| | 30 April 2011 £000 | 24 April 2010 £000 |
|--|-----------------------|-----------------------|
| Tax losses | 610 | – |
| Capital allowances in excess of depreciation | 4,571 | 6,742 |
| Other timing differences | 1,210 | 1,482 |
| | 6,391 | 8,224 |

Deferred tax assets that have not been recognised will be recoverable when there are taxable profits against which they can be relieved.

Factors affecting future tax charges

The Company has charged depreciation in excess of capital allowances, the deferred tax asset on which has been recognised in part. This reflects the estimated recoverability of the assets in the foreseeable future. Where deferred tax assets have not been recognised this has been due to uncertainty over the availability of suitable profits in the foreseeable future.

No deferred tax has been recognised on the unremitted earnings of overseas subsidiaries and associates. No significant amounts of tax are expected to be payable due to availability of double tax relief and losses in the United Kingdom.

Legislation in the UK has been enacted to cut the main rate of corporation tax to 27% from April 2011. There will be further cuts in the main rate in future years which may affect future tax charges and the deferred tax asset. Further, a resolution passed by parliament on 29 March 2011 reduced the main rate of corporation tax to 26% from April 2011, however, this was not substantively enacted by the balance sheet date. Accordingly, the deferred tax balances recognised and not recognised at 30 April 2011, included within these financial statements, have been calculated at a rate of 26% (2010: 28%).

A10. RECONCILIATION OF RESERVES

| | Merger reserve £000 | Share premium account £000 | Profit and loss account £000 | Total £000 |
|---|------------------------|----------------------------------|------------------------------------|---------------|
| At 24 April 2010 | 969 | 4,599 | 7,902 | 13,470 |
| Retained profit for the year | – | – | 3,139 | 3,139 |
| Dividend paid to Company's shareholders | – | – | (1,196) | (1,196) |
| Actuarial gain on pension scheme | – | – | 67 | 67 |
| Purchase of own shares | – | – | (1,055) | (1,055) |
| Adjustment in respect of employee share schemes | – | – | 278 | 278 |
| At 30 April 2011 | 969 | 4,599 | 9,135 | 14,703 |

A11. RELATED PARTIES

The Company has taken advantage of the exemption contained within FRS 8 "Related party disclosures", and has not disclosed transactions with Group companies.

Information Service

Jacques Vert Plc welcomes contact with its shareholders and customers. If you have any questions or enquiries about the Company please contact:

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Printed on Challenger Offset, comprising of fibres sourced from well-managed sustainable forests, (incorporating FSC certified fibre*) and bleached without the use of chlorine. The production mill for this paper operates to EMAS, ISO 14001 environmental and ISO 9001 quality standards.

Designed & produced by Benjamin Rowntree Design
www.benrown.co.uk
Tel: 020 7357 0700
Printed in England



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