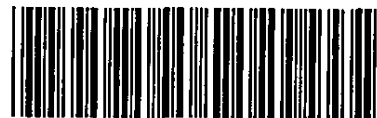


Abbreviated Audited Accounts for the Year Ended 31 December 2012

for

DAVID LUKE LIMITED

THURSDAY



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COMPANIES HOUSE

Contents of the Abbreviated Accounts
for the Year Ended 31 December 2012

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DAVID LUKE LIMITED

Company Information
for the Year Ended 31 December 2012

DIRECTORS:	D H Burgess A D Luke R D Moody I R McLaverty
SECRETARY:	H A Sykes
REGISTERED OFFICE:	Eco Works, Midland Street, Manchester, M12 6LB
REGISTERED NUMBER:	01605492
SENIOR STATUTORY AUDITOR:	S Reis BSc (hons), FCA, ATII, CFE
AUDITORS:	Lucas Reis Limited, Landmark House, Station Road, Cheadle Hulme, SK8 7BS
CONSULTANTS:	Howard Park Associates Limited, 806 Hyde Road, Gorton, Manchester, M18 7JD

DAVID LUKE LIMITED (Registered number 01605492)

Report of the Directors
for the Year Ended 31 December 2012

The directors present their report with the accounts of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the sale of clothing

REVIEW OF BUSINESS

2012 has been another challenging year within the supply chain. Competitors' problems have had a knock on effect, particularly on Stock Blazers. Thankfully, we got through without letting too many retailers down and in the end we delivered well.

Margins are still falling and currently show little sign of improving. Sales increased by a further £652K which have enabled net profit to improve slightly.

Increased efficiency will help to overcome margin deficiencies. The new Elm warehouse was purchased and completely re-fitted to become a double tier hanging stock facility. It is now beginning to work really well. This will play a key part in our continued growth and our drive to become even more efficient.

During 2012 we renamed our complex here in Manchester. It had been "Independence Works" since 1996, but in late September, as part of our 30 year celebrations and, to further strengthen our commitment to Eco-Uniform, we re-named the whole site "Eco Works". Individual buildings were given the symbolic names of Oak, Elm, Maple and Willow.

The tremendous and continuing investment we have made over the last 30 years will stand us in great stead for the challenges ahead.

The Board have seen the key performance indicators continue to make progress.

DIVIDENDS

The directors will be proposing a dividend of £1.78 per share in respect of the year to 31 December 2012 at the forthcoming AGM.

FUTURE DEVELOPMENTS

David Luke Eco-Uniform is expanding and will continue to lead the market. We are working on a number of new fabrics and will be announcing a major collaborative deal during the Summer of 2013 to further strengthen the brand.

Fairtrade garments will continue to strengthen as more product helps make the price more competitive. We have seen the impact of price on the Eco-Uniform and we expect this to happen with Fairtrade.

Margins are likely to continue to reduce, but with more efficiency initiatives, using digital technology, will build on the progress already made with BACS payments and e-mail delivery of invoices and statements. There will also be further expansion of the online B2B system to help customers use this fantastic facility all the year round.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report.

D H Burgess
A.D. Luke
R D Moody
I R McLaverty

Report of the Directors
for the Year Ended 31 December 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

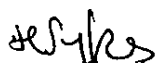
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Lucas Reis Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



H A Sykes - Secretary

Date 25/4/12

Report of the Independent Auditors to
DAVID LUKE LIMITED
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages five to sixteen, together with the full financial statements of DAVID LUKE LIMITED for the year ended 31 December 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



S Reis BSc (hons), FCA, ATII, CFE (Senior Statutory Auditor)
for and on behalf of Lucas Reis Limited,
Landmark House,
Station Road,
Cheadle Hulme,
SK8 7BS

Date

26/4/13

DAVID LUKE LIMITED (Registered number 01605492)

Abbreviated Profit and Loss Account
for the Year Ended 31 December 2012

	Notes	31 12 12 £	£	31 12 11 £	£
TURNOVER			11,593,378		10,941,218
Cost of sales			(8,938,671)		(8,477,432)
			2,654,707		2,463,786
Distribution costs		20,134		16,485	
Administrative expenses		<u>2,108,923</u>		<u>1,952,258</u>	
			2,129,057		1,968,743
OPERATING PROFIT	3		525,650		495,043
Interest payable and similar charges	4				
			35,154		40,608
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION					
			490,496		454,435
Tax on profit on ordinary activities	5				
			114,140		109,679
PROFIT FOR THE FINANCIAL YEAR					
			376,356		344,756

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

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

DAVID LUKE LIMITED (Registered number 01605492)

Abbreviated Balance Sheet

31 December 2012

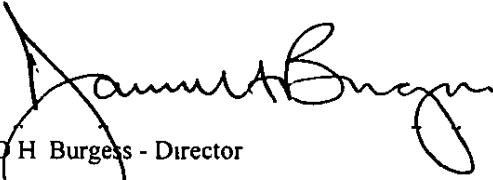
	Notes	31 12 12 £	31 12 11 £
FIXED ASSETS			
Tangible assets	7	1,237,369	809,944
Investments	8	1	1
		<u>1,237,370</u>	<u>809,945</u>
CURRENT ASSETS			
Stocks	9	2,843,472	2,214,232
Debtors	10	784,817	500,611
Cash at bank and in hand		233,335	424,342
		<u>3,861,624</u>	<u>3,139,185</u>
CREDITORS			
Amounts falling due within one year	11	<u>1,325,571</u>	<u>756,196</u>
NET CURRENT ASSETS		<u>2,536,053</u>	<u>2,382,989</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,773,423</u>	<u>3,192,934</u>
CREDITORS			
Amounts falling due after more than one year	12	(617,952)	(358,848)
PROVISIONS FOR LIABILITIES	15	<u>(10,141)</u>	<u>(2,024)</u>
NET ASSETS		<u><u>3,145,330</u></u>	<u><u>2,832,062</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	21,070	21,285
Profit and loss account	17	<u>3,124,260</u>	<u>2,810,777</u>
SHAREHOLDERS' FUNDS	19	<u><u>3,145,330</u></u>	<u><u>2,832,062</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on its behalf by

25/4/13

and were signed on


D H Burgess - Director

The notes form part of these abbreviated accounts

DAVID LUKE LIMITED (Registered number 01605492)

Cash Flow Statement
for the Year Ended 31 December 2012

	Notes	31 12 12 £	£	31 12 11 £	£
Net cash (outflow)/inflow from operating activities	1		(142,698)		932,288
Returns on investments and servicing of finance	2		(35,154)		(40,608)
Taxation			(109,657)		(127,007)
Capital expenditure	2		(475,040)		(40,967)
Equity dividends paid			(34,482)		(35,690)
			(797,031)		688,016
Financing	2		315,813		(90,182)
(Decrease)/increase in cash in the period			(481,218)		597,834
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/increase in cash in the period		(481,218)		597,834	
Cash (inflow)/outflow from (increase)/decrease in debt		(344,304)		61,196	
Change in net debt resulting from cash flows			(825,522)		659,030
Movement in net debt in the period			(825,522)		659,030
Net debt at 1 January			(41,239)		(700,269)
Net debt at 31 December			(866,761)		(41,239)

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 31 December 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	31 12 12	31 12 11
	£	£
Operating profit	525,650	495,043
Depreciation charges	47,614	55,550
Increase in stocks	(629,240)	(32,387)
(Increase)/decrease in debtors	(284,206)	321,066
Increase in creditors	197,484	93,016
Net cash (outflow)/inflow from operating activities	(142,698)	932,288

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 12 12	31 12 11
	£	£
Returns on investments and servicing of finance		
Interest paid	(35,154)	(40,608)
Net cash outflow for returns on investments and servicing of finance	(35,154)	(40,608)
 Capital expenditure		
Purchase of tangible fixed assets	(475,040)	(40,967)
Net cash outflow for capital expenditure	(475,040)	(40,967)
 Financing		
New loan	850,000	461,547
Loan repayments in year	(505,696)	(522,744)
Amount introduced by directors	1,541	1,427
Amount withdrawn by directors	(1,427)	(4,927)
Share issue	(215)	(215)
Share buyback	(28,390)	(25,270)
Net cash inflow/(outflow) from financing	315,813	(90,182)

Notes to the Cash Flow Statement
for the Year Ended 31 December 2012

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 1 12 £	Cash flow £	At 31 12 12 £
Net cash			
Cash at bank and in hand	424,342	(191,007)	233,335
Bank overdrafts	(11,933)	(290,211)	(302,144)
	<u>412,409</u>	<u>(481,218)</u>	<u>(68,809)</u>
Debt			
Debts falling due within one year	(94,800)	(85,200)	(180,000)
Debts falling due after one year	<u>(358,848)</u>	<u>(259,104)</u>	<u>(617,952)</u>
	<u>(453,648)</u>	<u>(344,304)</u>	<u>(797,952)</u>
Total	<u>(41,239)</u>	<u>(825,522)</u>	<u>(866,761)</u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 December 2012**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Tangible fixed assets

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

Office equipment	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 20% on cost
Computer equipment	- 20% on cost

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2 STAFF COSTS

	31 12 12	31 12 11
	£	£
Wages and salaries	1,119,463	1,071,384
Social security costs	99,205	93,189
Other pension costs	100,394	112,117
	<u>1,319,062</u>	<u>1,276,690</u>

The average monthly number of employees during the year was as follows

	31 12 12	31 12 11
Directors	3	3
Management	7	7
Office & warehouse	34	31
	<u>44</u>	<u>41</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2012

3 OPERATING PROFIT

The operating profit is stated after charging

	31 12 12	31 12 11
	£	£
Depreciation - owned assets	47,615	55,549
Auditors' remuneration	3,750	3,750
Consultancy fees charged by Mr A Luke, a director of the company	25,921	22,035
	<u>206,809</u>	<u>192,604</u>
Directors' remuneration	73,794	80,116
Directors' pension contributions to money purchase schemes	<u>73,794</u>	<u>80,116</u>

The number of directors to whom retirement benefits were accruing was as follows

	3	3
	<u>3</u>	<u>3</u>
Money purchase schemes		

Information regarding the highest paid director for the year ended 31 December 2012 is as follows

	31 12 12
	£
Emoluments etc	81,984
Pension contributions to money purchase schemes	9,150
	<u>91,134</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31 12 12	31 12 11
	£	£
Bank interest	19,485	29,909
Loan interest	15,669	10,699
	<u>35,154</u>	<u>40,608</u>

5 TAXATION

Analysis of the tax charge

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

	31 12 12	31 12 11
	£	£
Current tax		
UK corporation tax	106,023	109,657
Deferred tax	8,117	22
	<u>114,140</u>	<u>109,679</u>
Tax on profit on ordinary activities		

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2012

5 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 12 £	31 12 11 £
Profit on ordinary activities before tax	490,496	454,435
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2011 - 26%)	117,719	118,153
Effects of Expenses not deductible for tax purposes	5,664	5,346
Capital allowances in excess of depreciation previous years	(8,274)	(165)
Marginal relief & previous year rate	(9,086)	(13,677)
Current tax charge	106,023	109,657

6 DIVIDENDS

	31 12 12 £	31 12 11 £
Ordinary shares of £1 each Final	34,482	35,690

7 TANGIBLE FIXED ASSETS

	Long leasehold £	Office equipment £	Fixtures and fittings £
COST			
At 1 January 2012	877,814	90,850	264,656
Additions	395,802	1,743	68,248
At 31 December 2012	1,273,616	92,593	332,904
DEPRECIATION			
At 1 January 2012	138,603	85,914	211,913
Charge for year	20,810	988	15,788
At 31 December 2012	159,413	86,902	227,701
NET BOOK VALUE			
At 31 December 2012	1,114,203	5,691	105,203
At 31 December 2011	739,211	4,936	52,743

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2012

7 TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2012	45,757	264,796	1,543,873
Additions	-	9,247	475,040
At 31 December 2012	45,757	274,043	2,018,913
DEPRECIATION			
At 1 January 2012	45,757	251,742	733,929
Charge for year	-	10,029	47,615
At 31 December 2012	45,757	261,771	781,544
NET BOOK VALUE			
At 31 December 2012	-	12,272	1,237,369
At 31 December 2011	-	13,054	809,944

8 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 January 2012 and 31 December 2012	1
NET BOOK VALUE	
At 31 December 2012	1
At 31 December 2011	1

The company's investments at the balance sheet date in the share capital of companies include the following

USDL Limited

Nature of business Dormant

	% holding 50 00	31 12 12 £	31 12 11 £
Class of shares			
Ordinary			
Aggregate capital and reserves		2	2

9 STOCKS

	31 12 12 £	31 12 11 £
Stocks	2,843,472	2,214,232

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2012

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 12	31 12 11
	£	£
Trade debtors	554,524	356,637
Other debtor	30,000	35,001
VAT	146,530	69,526
Staff loans	1,300	2,550
Prepayments	52,463	36,897
	<u>784,817</u>	<u>500,611</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 12	31 12 11
	£	£
Bank loans and overdrafts (see note 13)	482,144	106,733
Trade creditors	596,715	450,645
Tax	106,023	109,657
Social security and other taxes	29,903	27,457
Directors' current accounts	3,385	3,271
Accrued expenses	107,401	58,433
	<u>1,325,571</u>	<u>756,196</u>

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 12	31 12 11
	£	£
Bank loans (see note 13)	<u>617,952</u>	<u>358,848</u>

13 LOANS

The bank loan is repayable in twenty quarterly instalments at the rate of 2 1% pa over the Bank's Sterling Base Rate

14. SECURED DEBTS

The following secured debts are included within creditors

	31 12 12	31 12 11
	£	£
Bank overdrafts	302,144	11,933
Bank loans	797,952	453,648
	<u>1,100,096</u>	<u>465,581</u>

Bank borrowings are secured by a debenture and first legal charge over the premises at 4 Midland Street Ardwick Manchester M12 6LB and 2 & 5 Handsworth Street Ardwick Manchester M12 6SP

15 PROVISIONS FOR LIABILITIES

	31 12.12	31 12 11
	£	£
Deferred tax	<u>10,141</u>	<u>2,024</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2012

15 PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 January 2012	2,024
Charge to profit and loss account during year	8,117
Current year charge	
Balance at 31 December 2012	<u>10,141</u>

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	31 12 12 £	31 12 11 £
21,070	Ordinary		21,070	21,285
(31 12 11 - 21,285)				

17 RESERVES

	Profit and loss account £
At 1 January 2012	2,810,777
Profit for the year	376,356
Dividends	(34,482)
Purchase of own shares	(28,391)
At 31 December 2012	<u>3,124,260</u>

18 RELATED PARTY DISCLOSURES

Mr D H Burgess is a director of Force 12 Schoolwear Limited and USDL Limited (see note 8) David Luke Limited received £10000 (2011- £3000) during the year from Force 12 Schoolwear Limited in respect of a management charge

During the year, Force 12 Schoolwear Limited charged David Luke Limited £5800 for exhibition costs (2011 - £6300) The amount owed to Force 12 Schoolwear Limited at 31/12/12 was nil (2011 - nil)

Mr D H Burgess is also a director of Childrenswear Buyer Limited and The National Children's Wear Association of Great Britain and Ireland and subscriptions were paid to these organisations

Subscriptions paid to NCWA were £250 (2011 - £250)

During the year the company paid dividends of £15860 (2011 - £16251) to directors of the company

Mr A Luke, a director of the company, received £25921 (2011- £22035) in respect of consultancy fees

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2012

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 12 12	31 12 11
	£	£
Profit for the financial year	376,356	344,756
Dividends	(34,482)	(35,690)
Buy back of company shares	341,874	309,066
	(28,606)	(25,485)
Net addition to shareholders' funds	313,268	283,581
Opening shareholders' funds	2,832,062	2,548,481
Closing shareholders' funds	<u>3,145,330</u>	<u>2,832,062</u>