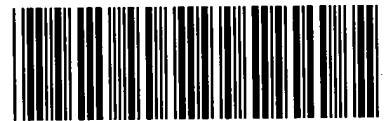


TURNBULL & ASSER LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 FEBRUARY 2014

Company Registration Number 01066321

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TURNBULL & ASSER LIMITED
FINANCIAL STATEMENTS
PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

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TURNBULL & ASSER LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
PERIOD ENDED 1 FEBRUARY 2014

The board of directors

Mr A Fayed
Mr J Fayed
Mr S Quin
Mr N Clifford
Mr S McCoy
Mr N Blow
Mr D Foster

Company secretary

Mr D Foster

Registered office

14 South Street
London
W1K 1DF

Independent Auditors

PriceWaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

TURNBULL & ASSER LIMITED
STRATEGIC REPORT
PERIOD ENDED 1 FEBRUARY 2014

The directors present their strategic report of the company for the year ended 1 February 2014.

Principal activities and business review

The principal activity of the company is the retail of bespoke shirts and ready to wear premium quality gentleman's clothing from London premises in Jermyn Street, Bury Street, and Old Broad Street and through its online e-Commerce site. The company also wholesales garments to customers throughout the UK and abroad. Aside from its selling activities the company is also engaged in the manufacture of shirts and ties from its own factories based in the UK.

The company has grown organically across all sales channels in the period with a more significant growth in e-commerce and wholesale. Despite increased market place competition and the necessary rationalisation of inventory levels through promotional activity, prudent production planning and cost control have resulted in gross profit margins at near January 2013 levels.

The January 2014 financial year included the creation and consolidation of the new senior management team. Following the appointment of Mr. Blow, new department heads have been introduced into the business in Product Development, Merchandising, Marketing and Finance.

Financial risk management objectives and policies

The management of the business and the execution of the company's business strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from global, national and independent retailers, employee retention, product quality and continuing delivery of high levels of customer service. As a number of the company's customers are high net worth individuals the continued financial health of the global economy is also an important factor.

Key performance indicators

The company's directors are of the opinion that the use of sales and margin measures are sufficient to monitor the ongoing performance of the business and can be used to facilitate short term planning. Overheads are managed through the setting of financial forecasts with regular budget holder reviews to assess performance against these targets.

Development and performance of the business of the company during the financial year

The supply chain has been rationalised including the outsourcing of the warehousing and distribution functions which was completed in the first quarter of the January 2015 financial year and resulted in the disposal of one leasehold site. The long term feasibility of all business units has been reviewed, accounting provisions made and reported as exceptional items and appropriate action plans developed.

The first quarter of the January 2015 financial year saw the opening of the newly refurbished Mayfair headquarters including an extended wholesale showroom. Key staff are now located together at one site, facilitating decision making and communication.

The directors of the company are of the opinion that 2015 will show further growth and a return to profitability.

TURNBULL & ASSER LIMITED
STRATEGIC REPORT (continued)
PERIOD ENDED 1 FEBRUARY 2014


Position of the company at the year end

The loss for the financial period, after taxation, amounted to £174,000. Net assets amounted to £7,121,000.

Post balance sheet events

After the balance sheet date, the Company agreed a £1m loan facility with Allied Irish Bank. The loan is for three years and bears interest at 3.5% above LIBOR. The Loan is subject to covenants based on debt service cover (EBITDA to total debt service costs shall not be less than the ratio of 125%) and minimum tangible net worth (shareholders' funds not to fall below that achieved the previous year). The loan is secured on the South Street headquarters.

Signed by the order of the directors



D Foster

Secretary

Approved by the board of directors on 18 September 2014

TURNBULL & ASSER LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

The directors present their report and the financial statements of the company for the period from 3 February 2013 to 1 February 2014.

Results and dividends

The loss for the financial period, after taxation, amounted to £174,000. The directors have not recommended a dividend.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Mr A Fayed
Mr J Fayed
Mr P Price (resigned 11 March 2014)
Mr S Quin
Mr N Clifford
Mr S McCoy
Mr N Blow
Mr D Foster (appointed 11 March 2014)

Directors' indemnity statement

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Director's and Officers' liability insurance in respect of itself and its Directors.

TURNBULL & ASSER LIMITED

THE DIRECTORS' REPORT (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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

Disclosure of information to auditors

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

- (a) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

TURNBULL & ASSER LIMITED

THE DIRECTORS' REPORT (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

(b) He 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.

Independent auditors

PriceWaterhouseCoopers LLP were appointed as auditors during the year and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Signed by the order of the directors



D Foster

Secretary

Approved by the board of directors on 18 September 2014

Independent auditors' report to the members of Turnbull and Asser Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 1 February 2014 and of its loss and cash flows for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Turnbull and Asser Limited, comprise:

- the Balance Sheet as at 1 February 2014;
- the Profit and Loss Account for the period then ended;
- the Cash Flow Statement for the period then ended;
- the Reconciliation of movements in shareholders' funds for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Turnbull and Asser Limited (continued)

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 ISAs (UK & 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.



Craig Skelton (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
18 September 2014

TURNBULL & ASSER LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

	Note	Period from 3 Feb 13 to 1 Feb 14 £000	Period from 29 Jan 12 to 2 Feb 13 £000
Turnover	2	9,736	9,394
Cost of sales		(4,161)	(3,890)
Gross profit		<u>5,575</u>	<u>5,504</u>
Distribution costs		(257)	(221)
Administrative expenses		(5,499)	(4,972)
Other operating income	3	89	131
Operating (loss)/profit	4	<u>(92)</u>	<u>442</u>
Exceptional items	5	(182)	-
Interest receivable and similar income		15	7
(Loss)/profit on ordinary activities before taxation		<u>(259)</u>	<u>449</u>
Tax on (loss)/profit on ordinary activities	8	85	(125)
(Loss)/profit for the financial period	18	<u>(174)</u>	<u>324</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents

The notes on pages 12 to 23 form part of these financial statements

TURNBULL & ASSER LIMITED
Registered Number 01066321

BALANCE SHEET

1 FEBRUARY 2014

	Note	1 Feb 14		2 Feb 13	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	9		2,817		3,290
Current assets					
Stocks	10	2,396		2,630	
Debtors	11	1,527		870	
Cash at bank and in hand		1,647		2,228	
			<u>5,570</u>		<u>5,728</u>
Creditors: Amounts falling due within one year	12	<u>(1,196)</u>		<u>(1,538)</u>	
Net current assets			4,374		4,190
Total assets less current liabilities			<u>7,191</u>		<u>7,480</u>
Provisions for liabilities					
Deferred taxation	13		(70)		(185)
			<u>7,121</u>		<u>7,295</u>
Capital and reserves					
Called up share capital	16		2,450		2,450
Other reserves	17		30		30
Profit and loss account	18		4,641		4,815
Total Shareholders' funds	19		<u>7,121</u>		<u>7,295</u>

The financial statements on pages 9 to 23 were approved by the Board of Directors on 18 September 2014 and signed on its behalf by:



Mr N Blow
Director

The notes on pages 12 to 23 form part of these financial statements

TURNBULL & ASSER LIMITED

CASH FLOW STATEMENT

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

	Note	Period from 3 Feb 13 to 2 Feb 14 £000	Period from 29 Jan 12 to 2 Feb 13 £000
Net cash (outflow)/inflow from operating activities	20	(23)	1,094
Returns on investments and Servicing of finance			
Interest received	<u>15</u>		<u>7</u>
Net cash inflow from returns on investments and servicing of finance		15	7
Taxation		(267)	(112)
Capital expenditure			
Payments to acquire tangible fixed assets	<u>(306)</u>		<u>(169)</u>
Net cash outflow from capital expenditure		(306)	(169)
(Decrease)/Increase in cash	20	<u>(581)</u>	<u>820</u>

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

1. Accounting policies

Basis of accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Turnover

Turnover represents amounts receivable for the sale of goods to customers and concession commissions net of VAT and trade discounts. Turnover is recognised on sale and despatch of goods.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Freehold Land	-	No depreciation charge
Freehold Property	-	Straight line over 75 years
Leasehold Property	-	Straight line over 15 - 100 years
Fixtures & Fittings	-	Straight line over 2 - 10 years

Stocks

Stocks are valued at the lower of cost, calculated on a weighted average basis, and net realisable value.

Work in progress

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity.

Operating lease agreements

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

Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

1. Accounting policies (continued)

Deferred taxation

Where material, deferred tax is measured 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. The deferred tax balance has not been discounted.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

If a financial instrument contains both an equity and a liability element, then the liability element is first established with any residual value being disclosed within equity shareholders' funds. The liability element is the present value of the future payments guaranteed to be made to the holders of the financial instrument.

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

2. Turnover

The total turnover of the company for the period has been derived wholly from its principal activity.

Turnover by class of business

The analysis by class of business of the company's turnover is set out as below:

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Sale of goods	9,271	8,936
Other	465	458
	<u>9,736</u>	<u>9,394</u>

Segmental analysis by geographical area

The analysis by geographical area of the company's turnover is set out as below:

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
United Kingdom	5,289	5,064
United States	2,476	2,325
Continental Europe	994	1,068
Japan	279	336
Other	698	601
	<u>9,736</u>	<u>9,394</u>

All operations are based in the United Kingdom.

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

3. Other operating income

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Other operating income	89	131

This comprises royalty income from overseas sales and discounts received from suppliers.

4. Operating (loss)/profit

Operating loss is stated after charging/(crediting):

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Depreciation of owned fixed assets	345	269
Gain on disposal of fixed assets	(2)	-
Auditors remuneration	21	18
Operating lease costs:		
-Plant and machinery	32	44
-Other	681	671
Net loss/(gain) on foreign currency translation	2	(1)

5. Exceptional Items

The exceptional items figure in the profit or loss account is made up of the following items:

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Supply chain rationalisation	183	-
Business unit review	(365)	-
	(182)	-

Supply chain rationalisation

During the period the company finalised plans to vacate its leased warehouse and to transfer distribution activities to a third party supplier. This enabled the company to take advantage of a favourable offer from their landlords and record a profit on the transfer after taking into account necessary reorganisation costs.

The cash value in relation to these items has, or is forecast to take place largely in the year ending January 2015.

Business unit review

A review of operating units was completed resulting in provisions being made against the carrying value of fixed assets on unprofitable sites.

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

6. Particulars of employees

The monthly average number of staff employed by the company during the financial period amounted to:

	Period from 3 Feb 13 to 1 Feb 14 No	<i>Period from 29 Jan 12 to 2 Feb 13 No</i>
Number of production staff	85	85
Number of retail staff	27	27
Number of administrative staff	38	36
	<u>150</u>	<u>148</u>

The aggregate payroll costs of the above were:

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Wages and salaries	3,750	3,315
Social security costs	340	304
Other pension costs	135	115
	<u>4,225</u>	<u>3,734</u>

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

7. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Remuneration receivable	476	330
Value of company pension contributions to money purchase schemes	28	26
	<u>504</u>	<u>356</u>

Remuneration of highest paid director:

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Total remuneration (excluding pension contributions)	325	100
Value of company pension contributions to money purchase schemes	9	11
	<u>334</u>	<u>111</u>

The number of directors accruing benefits under company pension schemes was as follows:

	Period from 3 Feb 13 to 1 Feb 14 No	<i>Period from 29 Jan 12 to 2 Feb 13 No</i>
Defined benefit schemes	-	<u>3</u>

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

8. Taxation on (loss)/profit on ordinary activities

(a) Analysis of charge in the period

	Period from 3 Feb 13 to 1 Feb 14		Period from 29 Jan 12 to 2 Feb 13	
	£000	£000	£000	£000
<i>Current tax:</i>				
UK corporation tax on profits of the period		33		134
Adjustment in respect of previous periods		(2)		-
		<u>31</u>		<u>134</u>
<i>Deferred tax:</i>				
Origination and reversal of timing differences	(99)		(9)	
Effects of changes in tax rates	(17)			
Total deferred tax (note 13)		<u>(116)</u>		<u>(9)</u>
Tax on (loss)/profit on ordinary activities		<u>(85)</u>		<u>125</u>

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period is lower (2013: higher) than the standard rate of corporation tax in the UK of 23.17% (2013 – 24.38%).

	Period from 3 Feb 13 to 1 Feb 14	Period from 29 Jan 12 to 2 Feb 13
	£000	£000
(Loss)/profit on ordinary activities before taxation	(331)	<u>449</u>
(Loss)/profit on ordinary activities by rate of tax at 23.17% (2013 – 24.38%).	(77)	110
<i>Effects of:</i>		
Expenses not deductible for tax purposes	13	3
Capital allowances for period in excess of depreciation	110	21
Movement in short term timing differences	(11)	-
Adjustments to tax charge in respect of previous periods	(2)	-
Marginal Relief	(2)	-
Total current tax charge (note 8(a))	<u>31</u>	<u>134</u>

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

9. Tangible fixed assets

	Freehold Property £000	Leasehold Property £000	Assets Under Construction £'000	Fixtures & Fittings £000	Total £000
Cost					
At 3 February 2013	967	1,674	-	3,979	6,620
Additions	-	-	154	152	306
Disposals	-	-	-	(8)	(8)
At 1 February 2014	<u>967</u>	<u>1,674</u>	<u>154</u>	<u>4,123</u>	<u>6,918</u>
Accumulated depreciation					
At 3 February 2013	102	280	-	2,948	3,330
Charge for the period	11	35	-	299	345
Impairment	-	96	-	338	434
On disposals	-	-	-	(8)	(8)
At 1 February 2014	<u>113</u>	<u>411</u>	<u>-</u>	<u>3,577</u>	<u>4,101</u>
Net book value					
At 1 February 2014	<u>854</u>	<u>1,263</u>	<u>154</u>	<u>546</u>	<u>2,817</u>
At 2 February 2013	<u>865</u>	<u>1,394</u>	<u>-</u>	<u>1,031</u>	<u>3,290</u>

10. Stocks

	1 Feb 14 £000	2 Feb 13 £000
Raw materials	559	539
Work in progress	48	107
Finished goods	1,789	1,984
	<u>2,396</u>	<u>2,630</u>

11. Debtors

	1 Feb 14 £000	2 Feb 13 £000
Trade debtors	624	565
Staff loans	30	22
Other debtors	444	30
Prepayments and accrued income	292	253
Corporation tax receivable	137	-
	<u>1,527</u>	<u>870</u>

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

12. Creditors: Amounts falling due within one year

	1 Feb 14	2 Feb 13
	£000	£000
Trade creditors	194	200
Corporation tax	-	100
PAYE and social security	102	85
VAT	86	197
Other creditors	24	18
Accruals and deferred income	790	938
	<u>1,196</u>	<u>1,538</u>

13. Deferred taxation

The movement in the deferred taxation provision during the period was:

	Period from 3 Feb 13 to 1 Feb 14	<i>Period from 29 Jan 12 to 2 Feb 13</i>
	£000	£000
At 3 February 2013 / 29 January 2012	185	194
Profit and loss account movement arising during the period	(115)	(9)
At 1 February 2014 / 2 February 2013	<u>70</u>	<u>185</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	1 Feb 14	2 Feb 13
	£000	£000
Accelerated capital allowances	73	201
Short term timing differences	(3)	(16)
	<u>70</u>	<u>185</u>

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

14. Commitments under operating leases

At 1 February 2014 and 2 February 2013 the company had annual commitments under non-cancellable operating leases as set out below.

	1 Feb 14		2 Feb 13	
	Land and buildings £000	Other Items £000	Land and buildings £000	Other Items £000
Operating leases which expire:				
Within 1 year	18	1	2	60
Within 2 to 5 years	78	8	173	13
After more than 5 years	566	-	431	9
	<u>662</u>	<u>9</u>	<u>606</u>	<u>82</u>

15. Related party transactions

The company has traded with the following companies in which Mr A Fayed, a director, has a beneficial interest.

During the year the company made sales of £1.00 million (2013: £0.84 million) and received license fee income of £0.06 million (2013: £0.08 million) from Turnbull & Asser LLC. At the year end the company was owed £0.23 million (2013: £0.18 million) by Turnbull & Asser LLC.

During the year the company recharged operating expenses of £0.06 million (2012: 0.04 million) to Turnbull & Asser LLC and received operating expenses of £0.03 million. At the year-end Turnbull & Asser LLC owed £0.01 million (2012: nil) to the company.

During the year the company was charged operating expenses of £0.02 million (2013: £0.04 million) by Hyde Park Residence Limited. At the year end the company owed £Nil (2013: £Nil) to Hyde Park Residence Limited.

During the year the company also traded with Bespoken Inc, a company in which Mr A Fayed's son is a director. During the year the company made sales of £0.02 million (2013: £0.09 million). At the year end the company was owed £0.08 million (2013: £0.09 million) by Bespoken Inc.

During the year the company made sales of £0.02 million (2013: £Nil) to Fayair (Stansted) Limited. At the year end the company was owed £Nil (2013: £Nil) by Fayair (Stansted) Limited.

16. Called up share capital

Allotted, called up and fully paid:

	1 Feb 14		2 Feb 13	
	No	£000	No	£000
8,500,000 Ordinary bearer shares of US \$0.00001 each	8,500,000	-	8,500,000	-
24,500,000 Ordinary shares of £0.10 each	24,500,000	2,450	24,500,000	2,450
	<u>33,000,000</u>	<u>2,450</u>	<u>33,000,000</u>	<u>2,450</u>

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

16. Called up share capital (continued)

The Ordinary US\$ shares are each entitled to receive dividends amounting to the first 99% of the amount of profits which the company may determine to distribute in respect of any financial period, divided by the number of Ordinary US\$ shares then in issue. The Ordinary £ shares are each entitled to receive a dividend of the remaining 1% of distributable profits, divided by the number of Ordinary £ shares then in issue.

Each Ordinary US\$ share carries 99 votes. Each Ordinary £ share carries one vote.

In the event of a return of capital or winding up the Ordinary US\$ shares shall be entitled to receive the first 99% of the assets available for distribution. Only after the Ordinary US\$ class has received its full entitlement shall the Ordinary £ class be entitled to the balance of the assets available.

Neither class of share is redeemable at the shareholder's request.

17. Other reserves

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Capital redemption reserve	30	30

18. Profit and loss account

	Period from 3 Feb 13 to 1 Feb 14 £000	<i>Period from 29 Jan 12 to 2 Feb 13 £000</i>
Balance brought forward	4,815	4,491
(Loss)/profit for the financial period	(174)	324
Balance carried forward	<u>4,641</u>	<u>4,815</u>

19. Reconciliation of movements in shareholders' funds

	1 Feb 14 £000	<i>2 Feb 13 £000</i>
(Loss)/profit for the financial period	(174)	324
Opening shareholders' funds	7,295	6,971
Closing shareholders' funds	<u>7,121</u>	<u>7,295</u>

TURNBULL & ASSER LIMITED

MANAGEMENT INFORMATION

PERIOD FROM 3 FEBRUARY 2013 TO 1 FEBRUARY 2014

20. Notes to the cash flow statement

Reconciliation of operating loss to net cash outflow from operating activities

	Period from 3 Feb 13 to 1 Feb 14 £000	Period from 29 Jan 12 to 2 Feb 13 £000
Operating (loss)/profit	(164)	442
Depreciation	345	269
Decrease/(increase) in stocks	234	(268)
(Increase)/decrease in debtors	(265)	452
(Decrease)/increase in creditors	(173)	199
Net cash (outflow)/inflow from operating activities	<u>(23)</u>	<u>1,094</u>

Reconciliation of net cash flow to movement in net funds

	1 Feb 14		2 Feb 13	
	£000	£000	£000	£000
(Decrease)/increase in cash in the period	(581)		820	
Change in net funds		<u>(581)</u>		<u>820</u>
Net funds at 2 February 2013		<u>2,228</u>		<u>1,408</u>
Net funds at 1 February 2014		<u>1,647</u>		<u>2,228</u>

Analysis of changes in net funds

	At 2 February 2013 £000	Cash flows £000	At 1 February 2014 £000
Net cash:			
Cash in hand and at bank	2,228	(581)	1,647
Net funds	<u>2,228</u>	<u>(581)</u>	<u>1,647</u>

21. Ultimate controlling party

The ultimate controlling party is the Fayed family.

22. Post balance sheet events

After the balance sheet date, the Company agreed a £1m loan facility with Allied Irish Bank. The loan is for three years and bears interest at 3.5% above LIBOR. The Loan is subject to covenants based on debt service cover (EBITDA to total debt service costs shall not be less than the ratio of 125%) and minimum tangible net worth (shareholders' funds not to fall below that achieved the previous year). The loan is secured on the South Street headquarters.