

TURNBULL & ASSER LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2015

Company Registration Number 01066321

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TURNBULL & ASSER LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2015

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TURNBULL & ASSER LIMITED
OFFICERS AND PROFESSIONAL ADVISORS
FOR THE PERIOD ENDED 31 JANUARY 2015

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
FOR THE PERIOD ENDED 31 JANUARY 2015

The directors present their strategic report of the company for the period ended 31 January 2015.

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 and Bury 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 continues to grow both in the UK and internationally through its e-commerce and wholesale channels.

During the January 2015 financial period, the company underwent significant change. The corporate offices in Mayfair were refurbished to create a dedicated wholesale showroom and a contemporary working environment for all headquarters staff.

The project to outsource the warehousing and distribution functions was successfully completed and following the business review of 2014, the City store was closed and the lease was sold. This resulted in an exceptional gain of £331k (see note 5).

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.

Future development and performance of the business of the company during the financial period

During the period ended January 2015, production capacity was increased at the UK shirt manufacturing site and the January 2016 financial period starts with a strong order book.

The first quarter of the January 2016 financial period saw the commitment to a lease on a new store in London, due to open in the first half of the period.

The Company has plans to make a significant investment in its e-commerce platform during the January 2016 financial period in order to facilitate continued growth in this sales channel.

The directors of the company are of the opinion that 2016 will show further growth and a return to operating profitability.

TURNBULL & ASSER LIMITED
STRATEGIC REPORT
FOR THE PERIOD ENDED 31 JANUARY 2015

Position of the company at the period end

The profit for the financial period, after taxation, amounted to £66,000 (2014: loss £174,000). Net assets amounted to £7,187,000 (2014: £7,121,000)

Signed by the order of the board



D Foster

Secretary

Approved by the board of directors on 22 October 2015

TURNBULL & ASSER LIMITED
THE DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 JANUARY 2015

The directors present their report and the financial statements of the company for the period ended 31 January 2015.

Results and dividends

The profit for the financial period, after taxation, amounted to £66,000 (2014: loss £174,000). The directors have not recommended a dividend.

Directors

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

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

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 period and is currently in force. The Company also purchased and maintained throughout the financial period Director's and Officers' liability insurance in respect of itself and its Directors.

Post Balance sheet events

On 15 August 2015, Turnbull & Asser Limited took out a loan with its related company T&A Holdings LLC for £400,000 to finance the opening of the new Mayfair Store. The loan is due to be repaid on 31 December 2015 (although extension of the payment terms is permitted on request) and bears interest at 1%.

TURNBULL & ASSER LIMITED
THE DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 JANUARY 2015

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

(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 are deemed to be reappointed under section 487(2) of the Companies Act 2006.

TURNBULL & ASSER LIMITED
THE DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 JANUARY 2015

Signed by the order of the board



Mr D Foster

Secretary

Approved by the board of directors on 22 October 2015.

TURNBULL & ASSER LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
FOR THE PERIOD ENDED 31 JANUARY 2015

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 31 January 2015 and of its profit 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 & Asser Limited, comprise:

- the Balance Sheet as at 31 January 2015;
- the Profit and Loss Account for the period then ended;
- the Cash Flow Statement for the period then ended;
- 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.

TURNBULL & ASSER LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (CONTINUED)
FOR THE PERIOD ENDED 31 JANUARY 2015

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.



Emma Jarvis (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
22 October 2015

TURNBULL & ASSER LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 JANUARY 2015

	Note	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
Turnover	2	9,824	9,736
Cost of sales		(4,124)	(4,161)
Gross profit		<u>5,700</u>	<u>5,575</u>
Distribution costs		(329)	(257)
Administrative expenses		(5,701)	(5,499)
Other operating income	3	156	89
Operating loss	4	<u>(174)</u>	<u>(92)</u>
Exceptional items	5	331	(182)
Interest receivable and similar income		8	15
Profit/(loss) on ordinary activities before taxation		<u>165</u>	<u>(259)</u>
Tax on profit/(loss) on ordinary activities	8	(99)	85
Profit/(loss) for the financial period	20	<u><u>66</u></u>	<u><u>(174)</u></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/(loss) on ordinary activities before taxation and the profit/(loss) for the financial period stated above and their historical costs equivalents

The notes on pages 12 to 24 form part of these financial statements


TURNBULL & ASSER LIMITED
Registered Number 01066321

BALANCE SHEET

31 JANUARY 2015

	Note	31 January 2015		1 February 2014	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	9		4,081		2,817
Current assets					
Stocks	10		3,013		2,396
Debtors	11		1,140		1,527
Cash at bank and in hand			978		1,647
			<u>5,131</u>		<u>5,570</u>
Creditors: Amounts falling due within one year	12		<u>(1,506)</u>		<u>(1,196)</u>
Net current assets			3,625		4,374
Total assets less current liabilities			<u>7,706</u>		<u>7,191</u>
Creditors: Amounts falling due after more than one year	13		(360)		-
Provisions for liabilities					
Deferred taxation	15		<u>(159)</u>		<u>(70)</u>
Net assets			<u>7,187</u>		<u>7,121</u>
Capital and reserves					
Called up share capital	18		2,450		2,450
Other reserves	19		30		30
Profit and loss account	20		4,707		4,641
Total Shareholders' funds	21		<u>7,187</u>		<u>7,121</u>

The financial statements on pages 9 to 24 were approved by the Board of Directors on 22 October 2015 and signed on its behalf by:



Mr N Blow
Director

TURNBULL & ASSER LIMITED
CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 JANUARY 2015

	Note	Period ended 31 January 2015 £000	Period ended 1 Feb 14 £000
Net cash outflow from operating activities	22	(237)	(23)
Returns on investments and Servicing of finance			
Interest received		<u>8</u>	<u>15</u>
Net cash inflow from returns on investments and servicing of finance		8	15
Taxation		81	(267)
Capital expenditure			
Payments to acquire tangible fixed assets		(1,567)	(306)
Sale of tangible fixed assets		<u>331</u>	<u>-</u>
Net cash outflow from capital expenditure		(1,236)	(306)
Decrease in cash	22	<u>(1,384)</u>	<u>(581)</u>

The notes on pages 12 to 24 form part of these financial statements

TURNBULL & ASSER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 31 JANUARY 2015

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.

Going Concern

The Directors have reviewed the cash flow forecasts for a period of not less than 12 months from the date of signing these financial statements. The cash flow forecasts take into account reasonably possible changes in trading performance and the repayment of the related party loan of £400,000. The Directors have obtained a letter of support from the ultimate controlling party. In the event that the company is unable to meet its liabilities as they fall due, the ultimate controlling party has confirmed that they will meet any liabilities as they fall due for a period of at least 12 months from the date of signing these financial statements. The Directors have concluded that they have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. The Company therefore continues to adopt the going concern basis in financial statements.

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 (length of lease)
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.

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 JANUARY 2015

1 Accounting policies (continued)

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.

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)
FOR THE PERIOD ENDED 31 JANUARY 2015

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 ended 31 January 2015	<i>Period ended 1 Feb 14</i>
	£000	<i>£000</i>
Sale of goods	9,348	9,271
Other	476	465
	<u>9,824</u>	<u>9,736</u>

Segmental analysis by geographical area

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

	Period ended 31 January 2015	<i>Period ended 1 Feb 14</i>
	£000	<i>£000</i>
United Kingdom	5,340	5,289
United States	2,513	2,476
Continental Europe	1,061	994
Japan	181	279
Other	729	698
	<u>9,824</u>	<u>9,736</u>

All operations are based in the United Kingdom.

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 JANUARY 2015

3. Other operating income

	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
Other operating income	156	89

This predominantly comprises of royalty income from overseas sales.

4. Operating loss

Operating loss is stated after charging/ (crediting):

	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
Depreciation of owned fixed assets	303	345
Gain on disposal of fixed assets	-	(2)
Services provided by the company's auditors		
Fees payable for the audit	22	21
Fees payable for other services – tax compliance	6	6
Operating lease costs:		
-Plant and machinery	27	32
-Other	621	681
Net loss on foreign currency translation	1	2

5. Exceptional Items

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

	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
Supply chain rationalisation	-	183
Business unit review and disposals	331	(365)
	<u>331</u>	<u>(182)</u>

During the period, the company closed its city store which had been impaired in the prior year. The lease was sold. This resulted in a gain of £331k.

The cash value in relation to this item took place in the year.

In the prior year, 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.

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

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 JANUARY 2015

6. Particulars of employees

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

	Period ended 31 January 2015	<i>Period ended 1 Feb 14</i>
	No	<i>No</i>
Number of production staff	90	85
Number of retail staff	15	27
Number of administrative staff	45	38
	<u>150</u>	<u>150</u>

The aggregate payroll costs of the above were:

	Period ended 31 January 2015	<i>Period ended 1 Feb 14</i>
	£000	<i>£000</i>
Wages and salaries	4,113	3,750
Social security costs	387	340
Other pension costs	185	135
	<u>4,685</u>	<u>4,225</u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 JANUARY 2015

7. Directors' remuneration

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

	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
Remuneration receivable	592	476
Value of company pension contributions to money purchase schemes	35	28
	<u>627</u>	<u>504</u>

Remuneration of highest paid director:

	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
Total remuneration (excluding pension contributions)	350	325
Value of company pension contributions to money purchase schemes	11	9
	<u>361</u>	<u>334</u>

The number of directors accruing benefits under defined benefit company pension schemes was nil (2014: nil).

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 JANUARY 2015

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

(a) Analysis of charge in the period

	Period ended 31 January 2015		Period ended 1 February 2014	
	£000	£000	£000	£000
<i>Current tax:</i>				
UK corporation tax on profits of the period		2		33
Adjustment in respect of previous periods		8		(2)
		<u>10</u>		<u>31</u>
<i>Deferred tax:</i>				
Origination and reversal of timing differences	58		(99)	
Effects of changes in tax rates	-		(17)	
Adjustment in respect of previous periods	31			
	<u>31</u>			
Total deferred tax (note 15)		<u>89</u>		<u>(116)</u>
Tax on profit/(loss) on ordinary activities		<u>99</u>		<u>(85)</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is lower (2014: lower) than the standard rate of corporation tax in the UK of 20% (2014 – 23.15%).

	Period ended 31 January 2015 £000	Period ended 1 Feb 14 £000
	Profit/(loss) on ordinary activities before taxation	<u>165</u>
Profit/ (loss) on ordinary activities by rate of tax at 20% (2014 – 23.15%).	33	(77)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	27	13
Capital allowances for period in excess of depreciation	(58)	110
Movement in short term timing differences		(11)
Adjustments to tax charge in respect of previous periods	8	(2)
Marginal Relief		(2)
	<u>10</u>	<u>31</u>
Total current tax charge (note 8(a))	<u>10</u>	<u>31</u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 JANUARY 2015

9. Tangible assets

	Freehold Property £000	Leasehold Property £000	Assets Under Construction £'000	Fixtures & Fittings £000	Total £000
Cost					
At 2 February 2014	967	1,674	154	4,123	6,918
Additions	-	954	-	613	1,567
Transfers	-	150	(154)	4	-
Disposals	-	(149)	-	(934)	(1,083)
At 31 January 2015	<u>967</u>	<u>2,629</u>	<u>-</u>	<u>3,806</u>	<u>7,402</u>
Accumulated depreciation					
At 2 February 2014	113	411	-	3,577	4,101
Charge for the period	11	54	-	238	303
On disposals	-	(149)	-	(934)	(1,083)
At 31 January 2015	<u>124</u>	<u>316</u>	<u>-</u>	<u>2,881</u>	<u>3,321</u>
Net book value					
At 31 January 2015	<u>843</u>	<u>2,313</u>	<u>-</u>	<u>925</u>	<u>4,081</u>
At 1 February 2014	<u>854</u>	<u>1,263</u>	<u>154</u>	<u>546</u>	<u>2,817</u>

10. Stocks

	31 January 2015 £000	1 February 2014 £000
Raw materials	741	559
Work in progress	165	48
Finished goods	2,107	1,789
	<u>3,013</u>	<u>2,396</u>

11. Debtors

	31 January 2015 £000	1 February 2014 £000
Trade debtors	823	624
Staff loans	30	30
Other debtors	49	444
Corporation tax receivable	46	137
Prepayments and accrued income	192	292
	<u>1,140</u>	<u>1,527</u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 JANUARY 2015

12. Creditors: Amounts falling due within one year

	31 January	<i>1 February</i>
	2015	<i>2014</i>
	£000	<i>£000</i>
Trade creditors	307	194
Bank loans and overdrafts (Note 14)	355	-
PAYE and social security	114	102
VAT	109	86
Other creditors	25	24
Accruals and deferred income	596	790
	<u>1,506</u>	<u>1,196</u>

13. Creditors: Amounts falling due after more than one year

	31 January	<i>1 February</i>
	2015	<i>2014</i>
	£000	<i>£000</i>
Bank Loans and overdrafts (Note 14)	360	-
	<u>360</u>	<u>-</u>

14. Loans and other borrowings

	31 January	<i>1 February</i>
	2015	<i>2014</i>
	£000	<i>£000</i>
Bank Loan	715	-
	<u>715</u>	<u>-</u>

Maturity of financial liabilities:

In one year or less, or on demand	355	-
In more than one year, but not more than two years	360	-
	<u>715</u>	<u>-</u>

The company has a loan facility of £1.0m of which £964k was drawn down. The term of the loan is for three years and bears interest at LIBOR plus 3.5%. 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 worth (shareholders' funds not to fall below that achieved in the previous year). The loan is secured predominantly on the South Street headquarters.

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 31 JANUARY 2015

15. Deferred taxation

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

	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
At 2 February 2014 / 3 February 2013	70	185
Profit and loss account movement arising during the period	<u>89</u>	<u>(115)</u>
At 31 January 2015 / 1 February 2014	<u>159</u>	<u>70</u>

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

	31 January 2015 £000	<i>1 February 2014 £000</i>
Accelerated capital allowances	162	73
Short term timing differences	<u>(3)</u>	<u>(3)</u>
	<u>159</u>	<u>70</u>

16. Commitments under operating leases

At 31 January 2015 and 1 February 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	31 January 2015		<i>1 February 2014</i>	
	Land and buildings £000	Other £000	<i>Land and buildings £000</i>	<i>Other £000</i>
Operating leases which expire:				
Within 1 year	-	1	18	1
Within 2 to 5 years	78	1	78	8
After more than 5 years	<u>399</u>	<u>-</u>	<u>566</u>	<u>-</u>
	<u>477</u>	<u>2</u>	<u>662</u>	<u>9</u>

17. Related party transactions

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

During the period the company made sales of £1.05 million (2014: £1.00 million) and received license fee income of £0.12 million (2014: £0.06 million) from Turnbull & Asser LLC. At the period end the company was owed £0.26 million (2014: £0.23 million) by Turnbull & Asser LLC.

During the period the company recharged operating expenses of £0.03 million (2014: 0.06 million) to Turnbull & Asser LLC and received operating expenses of £0.03 million (2014: £0.03 million). At the period end Turnbull & Asser LLC owed nil (2014: 0.01 million) to the company.

During the period the company was charged operating expenses of £0.02 million (2014: £0.02 million) by Hyde Park Residence Limited. At the period end the company owed nil (2014: £Nil) to

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Hyde Park Residence Limited.

During the period the company also traded with Bespoken Inc, a company in which Mr A Fayed's son is a director. During the period the company made sales of £0.11 million (2014: £0.02 million). At the period end the company was owed £0.01 million (2014: £0.08 million) by Bespoken Inc.

During the period the company made nil sales (2014: £0.02 million) to Fayair (Stansted) Limited. At the period end the company was owed nil (2014: £Nil) by Fayair (Stansted) Limited.

18. Called up share capital

Allotted, called up and fully paid:

	31 January 2015		<i>1 February 2014</i>	
	No	£000	<i>No</i>	<i>£000</i>
8,500,000 (2014: 8,500,000) Ordinary bearer shares of US \$0.00001 each	8,500,000	-	8,500,000	-
24,500,000 (2014: 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>

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.

19. Other reserves

	Period ended	<i>Period ended</i>
	31 January 2015	
	£000	<i>£000</i>
Capital redemption reserve	30	30
	<u>30</u>	<u>30</u>

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20. Profit and loss account

	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
Balance brought forward	4,641	4,815
Profit/(loss) for the financial period	66	(174)
Balance carried forward	<u>4,707</u>	<u>4,641</u>

21. Reconciliation of movements in shareholders' funds

	31 January 2015 £000	<i>1 February 2014 £000</i>
Profit/(loss) for the financial period	66	(174)
Opening shareholders' funds	7,121	7,295
Closing shareholders' funds	<u>7,187</u>	<u>7,121</u>

22. Notes to the cash flow statement

Reconciliation of operating loss to net cash outflow from operating activities

	Period ended 31 January 2015 £000	<i>Period ended 1 Feb 14 £000</i>
Operating loss	(174)	(164)
Depreciation	303	345
(Increase)/decrease in stocks	(618)	234
Decrease/(increase) in debtors	295	(265)
Decrease in creditors	(43)	(173)
Net cash outflow from operating activities	<u>(237)</u>	<u>(23)</u>

Analysis of changes in net funds

	At 2 February 2014 £000	Cash flows £000	At 31 January 2015 £000
Net cash:			
Cash in hand and at bank	1,647	(669)	978
Bank loan	-	(715)	(715)
Net funds	<u>1,647</u>	<u>(1,384)</u>	<u>263</u>

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23. Ultimate controlling party

The ultimate controlling party is the Fayed family.

24. Post Balance sheet events

On 15 August 2015, Turnbull & Asser Limited took out a loan with its related company T&A Holdings LLC for £400,000 to finance the opening of the new Mayfair Store. The loan is due to be repaid on 31 December 2015 (although extension of the payment terms is permitted on request) and bears interest at 1%.