

# **Cabi Experience, Ltd**

UK Registered Number: 10091265

## **Report and Financial Statements**

**For the 9 months ended 31 December 2018**



**Cabi Experience, Ltd**  
**Report and financial statements**  
**9 months ended 31 December 2018**

<b>CONTENTS</b>	<b>PAGE</b>
Corporate information	2
Directors' report	3
Independent auditor's report to the members of Cabi Experience, Ltd	6
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11

**Cabi Experience, Ltd**

**Corporate information**

**UK Registered Number: 10091265**

**Directors**

B L Ripperger  
L C Mercdith  
D A Waddell

**Independent auditor**

KPMG LLP  
58 Clarendon Road  
Watford  
Hertfordshire  
WD17 1DE

**Registered Office**

Highlands House  
Basingstoke Road  
Spencers Wood  
Reading  
RG7 1NT

## **Cabi Experience, Ltd**

### **Directors' report**

The directors present their annual report and the audited financial statements of Cabi Experience, Ltd (the "Company") for the 9 month period ended 31 December 2018. The directors shortened the accounting period to end on 31 December 2018 to align with that of its parent group.

#### **Directors of the Company**

The directors who served during the financial period, or since the financial period end, were as follows:

B L Ripperger  
A K Pedersen (Resigned 10<sup>th</sup> May 2019)  
L C Meredith  
D A Waddell (Appointed 11<sup>th</sup> May 2019)

#### **Results**

Turnover for the 9 months ended 31 December 2018 was £806,234 (12 months ended 31 March 2018 £1,265,000). The loss after taxation was £145,000 (12 months ended 31 March 2018 £328,000). The audited financial statements for the period ended 31 December 2018 are set out on pages 8 to 16.

#### **Dividends**

The directors do not recommend the payment of a dividend in respect of the period ended 31 December 2018.

#### **Introduction**

The Company was incorporated in Great Britain on 30 March 2016 as a subsidiary of Cabi Holdings Cooperatief U.A. in the Netherlands. The Company's principal activity is the sale of women's apparel, accessories, and related products which are sold directly to consumers through an independent sales force.

The Company has met the requirements of the Companies Act 2006 to obtain the exemption provided from the presentation of a strategic report.

#### **Going concern**

During the initial trading period, the directors have utilised inter-company borrowings from the ultimate parent group to provide working capital and cover initial costs incurred. The directors have received assurances from the parent group that adequate continued lending will be made available to the company to enable it to continue to trade in the UK market for the foreseeable future, and at least for the 12 months following the date of approval of these financial statements. Further details are in Note 1.

#### **Key performance indicators**

The directors used a number of performance measures to monitor and manage the business as set out below:

- Turnover growth
- Number of customers
- Number of United Kingdom Stylists
- Number of Shows
- Show personal qualifying volume (PQV)
- Show PQV per stylist
- Shows per stylist
- Show Average
- Orders per show
- Average order amount
- Units per order
- Weighted average price per unit
- Units per stylist

## **Cabi Experience, Ltd**

### **Directors' report (continued)**

#### **Principal risks and uncertainties facing the business**

The directors continually monitor the key risks facing the Company together with assessing the controls used for managing these risks.

The principal risks and uncertainties facing the Company are as follows:

#### ***Risk 1 – Continued Support from Ultimate Parent Company***

The Company relies on debt finance advanced by its ultimate parent group, Cabi Holding Co., LLC. The Company's parent group has substantial financial resources and has indicated its intention to continue to support the Company financially to enable it to grow its UK operations.

#### ***Risk 2 – Competition in the UK market***

Whilst the Company offers a unique and compelling proposition, it faces strong competition in the UK from a variety of competitors in the UK market, including a number of longstanding brands.

#### ***Risk 3 – Implementation of Long-term Growth Strategy in the UK Market***

Our ability to successfully implement our long-term growth strategy, which entails evolving our product, marketing, and shopping experience to increase desirability and relevance.

#### ***Risk 4 – Exchange Rate Fluctuations***

Our exposure to currency exchange rate fluctuations from both a transactional and translational perspective.

#### ***Risk 5 – United Kingdom's Decision to Exit the European Union***

The impact to our business resulting from the United Kingdom's decision to exit the European Union and the uncertainty surrounding the terms and conditions of such a withdrawal, as well as the related impact to currency exchange rates.

#### ***Risk 6 – Cabi Brand***

Our ability to continue to maintain our brand image and reputation and protect our trademarks.

#### ***Risk 7 – Natural or Man-Made Disasters***

The potential impact on our operations and on our suppliers and customers resulting from natural disasters or man-made disasters.

#### ***Risk 8 – Key Personnel***

The loss of key personnel or other changes in our executive and senior management team or to our operating structure, and our ability to effectively transfer knowledge during periods of transition.

#### ***Risk 9 – Fashion Trends***

The impact to our business resulting from changes in consumers' ability or preferences to purchase products that we offer for sale and our ability to forecast consumer demand, which could result in either a build-up or shortage of inventory.

#### ***Risk 10 – Other Risks***

A variety of legal, regulatory, tax, political, and economic risks, including risks related to the importation of products, tariffs, and other trade barriers which our operations are currently subject to, or may become subject to as a result of potential changes in legislation, and other risks associated with our international operations and the burdens of complying with a variety of foreign laws and regulations, including tax laws, trade and labour restrictions, and related laws that may reduce the flexibility of our business.

## **Cabi Experience, Ltd**

### **Directors' report (continued)**

#### **Events since the balance sheet date**

There have been no events since the balance sheet date up to the date of issuance of this report which the directors consider to be material to their report and the financial statements.

#### **Statement of Directors' responsibilities in respect of the Director's report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

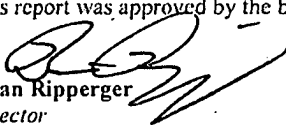
#### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### **Appointment of auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board of directors on September 20, 2019 and signed on its behalf by:

  
Brian Ripperger  
Director

Highlands House  
Basingstoke Road  
Spencers Wood  
Reading  
RG7 1NT

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Cabi Experience, Ltd**

### **Opinion**

We have audited the financial statements of Cabi Experience, Ltd ("the company") for the 9 month period ended 31 December 2018 which comprise the Statement of comprehensive income, Statement of financial position and Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the 9 month period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **The impact of uncertainties due to the UK exiting the European Union on our audit**

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, including related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial period is consistent with the financial statements, and

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Cabi Experience, Ltd**  
*(continued)*

- in our opinion that report has been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*B. J. Stapleton*

**Benjamin Stapleton (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*  
58 Clarendon Road  
Watford  
Hertfordshire  
WD17 1DE

27 September.....2019



**Cabi Experience, Ltd**

**Statement of comprehensive income**

**for the 9 months ended 31 December 2018**

	Note	9 months to 31 Dec 2018 £'000	12 months to 31 March 2018 £'000
<b>Turnover</b>	3	806	1,265
Cost of sales		<u>(365)</u>	<u>(662)</u>
<b>Gross profit</b>		441	603
Distribution costs		(418)	(732)
Administration expenses		<u>(145)</u>	<u>(217)</u>
<b>Operating loss before interest and similar charges</b>	4	(122)	(346)
Interest receivable / (payable) and similar charges	6	<u>(23)</u>	18
<b>Loss before taxation</b>		(145)	(328)
Tax on loss	7	-	-
<b>Total comprehensive loss for the period</b>		<u>(145)</u>	<u>(328)</u>

All amounts are derived from continuing operations.

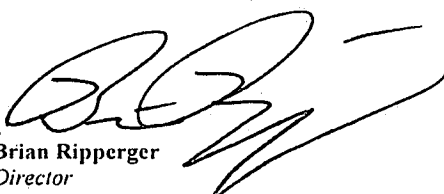
**Cabi Experience, Ltd**

**Statement of financial position**

**as at 31 December 2018**

	Note	As at 31 December 2018 £'000	As at 31 March 2018 £'000
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	6	96
Cash		475	244
<b>Total current assets</b>		<u>481</u>	<u>340</u>
<b>Total assets</b>		<u>481</u>	<u>340</u>
<b>Current liabilities</b>			
Loan due to related party	9	(1,063)	(665)
Creditors: amounts falling due within one year	10	(123)	(235)
<b>Total current liabilities</b>		<u>(1,186)</u>	<u>(900)</u>
<b>Net liabilities</b>		<u>(705)</u>	<u>(560)</u>
<b>Capital and reserves</b>			
Share capital	11	-	-
Profit and loss account		(705)	(560)
<b>Total Shareholders (deficit)/reserves</b>		<u>(705)</u>	<u>(560)</u>

The financial statements on pages 8 to 16 were approved and authorised for issue by the board of directors on September 20, 2019 and are signed on their behalf by:

  
**Brian Ripperger**  
Director

Company number: 10091265

**Cabi Experience, Ltd**

**Statement of changes in equity**

**for the 9 months ended 31 December 2018**

	<b>Called-up share capital £'000</b>	<b>Profit and loss account £'000</b>	<b>Total equity £'000</b>
At 31 March 2017	-	(232)	(232)
Total comprehensive loss for the year	-	(328)	(328)
At 31 March 2018	-	(560)	(560)
Total comprehensive loss for the period	-	(145)	(145)
At 31 December 2018	-	(705)	(705)

## **Cabi Experience, Ltd**

### **Notes to the financial statements**

#### **for the 9 months ended 31 December 2018**

##### **1. Accounting policies**

###### **Statement of compliance**

Cabi Experience, Ltd (the "Company"), is a company incorporated in Great Britain on 30 March 2016 and registered in England and Wales, with registration number 10091265. The registered office is Highlands House, Basingstoke Road, Spencers Wood, Reading, RG7 1NT. The Company's principal activity is the sale of women's apparel, accessories, and related products which are sold directly to consumers through an independent sales force.

The Company's financial statements have been prepared in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102, *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as it applies to the financial statements of the Company for the 9 months ended 31 December 2018.

###### **Basis of preparation**

The financial statements of the Company were approved for issue by the board of directors on the date noted in the balance sheet. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £'000 unless otherwise stated. The Company shortened its accounting period from 31 March to 31 December.

###### **Going concern**

Notwithstanding net current liabilities of £704,944 as at 31 December 2018 and a loss for the period then ended of £144,944, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have considered 12 months from the date of approval of these financial statements and the company will have sufficient funds, through funding from its ultimate parent company, Cabi Holding Co., LLC to meet its liabilities as they fall due for that period.

The above conclusion is dependent on Cabi Holding Co., LLC providing additional financial support during that period. Cabi Holding Co., LLC has indicated its intention to continue to make available such funds as are needed by the company for at least the next 12 months. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

###### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

###### **Reserve for Returns**

The Company records a reserve for customer returns based on historical experience for the Parent company's operations in Canada and the United States. The company periodically reviews the reserve for returns against actual customer returns and adjusts the reserve accordingly.

## **Cabi Experience, Ltd**

### **Notes to the financial statements**

#### **for the 9 months ended 31 December 2018**

##### **1. Accounting policies (*continued*)**

###### **Inventory**

Stocks are stated at the lower of cost or net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

###### **Short-term debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment of short-term debtors are recognised in the statement of comprehensive income in operating expenses.

###### **Cash**

Cash consists of cash at bank and in hand.

###### **Interest-bearing loans and borrowings**

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the lender (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment for amounts receivable. The effective interest rate amortisation is included in interest receivable / payable in the statement of comprehensive income.

###### **Revenue recognition**

The Company recognises revenue upon the shipment and delivery of merchandise to its customers. Product sales are recognised net of product returns and discounts referred to as "hostess allowances." Net sales include product sales and shipping and handling revenue. Shipping and handling costs paid by the Company are recorded as shipping expense.

The Company generally receives the net sales price in cash or through credit card payments at the point of sale. The Company includes value added taxes collected from customers and to be remitted to government agencies within sales tax payable.

###### **Operating lease agreements**

Leases where the lessor retains a significant portion of the risks and benefits of ownership of the asset are classified as operating leases, and are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term. The costs of operating leaseholds and improvements thereon are treated as tangible fixed assets and written off in equal annual amounts over the period of the lease.

###### **Expenses**

Expenses are accrued and recognised in the period to which they relate.

###### **Taxation**

The Company is subject to UK corporate tax at 19% (Year to 31 March 2018: 19%). The taxation charge is based on the profit or loss for the period and takes into account taxation deferred because of timing differences between the treatment of items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax assets are recognised only to the extent that it is more likely than not that they will be relieved against suitable taxable profits in the future.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in

# Cabi Experience, Ltd

## Notes to the financial statements

### for the 9 months ended 31 December 2018

#### 1. Accounting policies (continued)

##### Taxation (continued)

which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### 2. Disclosure exemptions

The Company's parent undertaking, Cabi Holding Co., LLC includes the Company in its consolidated financial statements. The consolidated financial statements of Cabi Holding Co., LLC are prepared in accordance with US GAAP and are available to the public and may be obtained from 21750 Arnold Center Road, Carson, California 90810. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Cabi Holding Co., LLC include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- Certain disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The company has taken advantage of the exemptions conferred by Financial Reporting Standard 102 section 33 and consequently has not disclosed details of transactions with fellow subsidiary entities. The accounting policies set out above have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 3. Segmental analysis

The Company's turnover and loss before tax were attributable to its one principal activity, which is the sale of women's apparel, accessories, and related products, which are sold directly to consumers through an independent sales force.

The Company's turnover arose wholly within the United Kingdom and related to operations that continue from within the prior period.

#### 4. Operating loss on ordinary activities before interest and similar charges

	9 month period ended 31 December 2018 £'000	12 month period ending 31 March 2018 £'000
This is stated after charging:		
Operating lease rentals - land and buildings	-	-
- other	-	-
Auditor's remuneration for audit services	<u>32</u>	<u>32</u>

## Cabi Experience, Ltd

### Notes to the financial statements

#### for the 9 months ended 31 December 2018

##### 5. Staff costs

	9 month period ended 31 December 2018 £'000	12 month period ending 31 March 2018 £'000
Wages and salaries	-	-
Social security costs	-	-
Other pension costs	-	-
	<u>-</u>	<u>-</u>

The average monthly number of employees during the period was made up as follows:

	9 month period ended 31 December 2018 No.	12 month period ending 31 March 2018 No.
Sales	-	-
Administration	-	-
	<u>-</u>	<u>-</u>

No emoluments were paid to any director of the Company during the period, and no benefits accrued to any director under Company pension schemes.

##### 6. Interest receivable / (payable) and similar charges

	9 month period ended 31 December 2018 £'000	12 month period ending 31 March 2018 £'000
Net foreign exchange (loss) / gain	(23)	18
	<u>(23)</u>	<u>18</u>

##### 7. Tax on loss on ordinary activities

The Company is subject to corporate tax at 19% (31 March 2018: 19%) per annum for the purposes of taxation in the United Kingdom. The tax charge for the period is made up as follows:

	9 month period ended 31 December 2018 £'000	12 month period ending 31 March 2018 £'000
a) Current tax		
Loss on ordinary activities before tax	(145)	(328)
UK tax at 19% (31 March 2018:19%)	(28)	(62)
Effect of:		
Deferred tax asset not recognised	28	62
Total tax	<u>-</u>	<u>-</u>

## Cabi Experience, Ltd

### Notes to the financial statements

#### for the 9 months ended 31 December 2018

##### 7. Tax on loss on ordinary activities (continued)

###### b) Deferred tax

###### Tax charge / (credit)

-	-
<u>-</u>	<u>-</u>

###### c) Factors that may affect future tax changes

Net deferred tax assets of £136,000 (31 March 2018: £108,000) have not been recognised due to a lack of visibility of future profits against which such losses might be relieved.

##### 8. Debtors: amounts falling due within one year

	31 December 2018 £'000	31 March 2018 £'000
Trade debtors	2	79
Prepayments and accrued income	<u>4</u>	<u>17</u>
	<u>6</u>	<u>96</u>

##### 9. Loan due to related party

	31 December 2018 £'000	31 March 2018 £'000
Owed to Cabi LLC	<u>1,063</u>	<u>665</u>
	<u>1,063</u>	<u>665</u>

The Company has a loan with Cabi LLC, a related party, which accrued interest of 0% (31 March 2018: 0%) per annum. Loan interest of £Nil (31 March 2018: £Nil) has been recognised in the Statement of Comprehensive Income for the period ended 31 December 2018. This loan does not carry fixed terms of repayment, but the parent group company has indicated its intention to provide the necessary financial resources to enable the Company to continue to meet its liabilities for the foreseeable future.

##### 10. Creditors: amounts falling due within one year

	31 December 2018 £'000	31 March 2018 £'000
Accruals and deferred income	77	171
Other creditors	<u>46</u>	<u>64</u>
	<u>123</u>	<u>235</u>



## Cabi Experience, Ltd

### Notes to the financial statements

#### for the 9 months ended 31 December 2018

#### 11. Share capital

	31 December 2018 Number:	31 March 2018 Number:
<b>Issued and fully paid</b>		
Ordinary shares of £0.01 each	10,000	-
Ordinary shares of £1.00 each	-	100
	<u>10,000</u>	<u>100</u>

The Company was incorporated on 30 March 2016 and 100 ordinary shares of £1.00 were subscribed and issued to Cabi Holdings Cooperatief U.A. On 28 December 2018 the shares were replaced with 10,000 ordinary shares of £0.01 per share.

#### 12. Obligations under leases

Future minimum rentals payable under non-cancellable operating leases are as follows:

	31 December 2018 £'000	31 March 2018 £'000
Within one year	-	-
In two to five years	-	-
In over five years	-	-
	<u>-</u>	<u>-</u>

#### 13. Financial commitments

As at the period end the Company had no capital commitments contracted for or provided for.

#### 14. Guarantee

As at the period end the Company had no guarantees.

#### 15. Financial instruments

All of the company's financial assets and liabilities are due in less than one year and in the absence of any impairment, are held at their original cost.

#### 16. Events after the reporting period

There have been no events since the balance sheet date up to the date of issuance of this report which the directors consider to be material to their report and the financial statements.

#### 17. Ultimate parent company and controlling party

Cabi Holdings Cooperatief U.A., a company incorporated in the Netherlands, is the immediate parent company. Cabi Holding Co., LLC is the parent company of the smallest and largest group of which the Company is a member and for which group financial statements are drawn up. Copies of the consolidated group financial statements are available from 21750 Arnold Center Road, Carson, California 90810.