

**Burberrys Limited**

**Registered Number: 230931**

**Directors' report and Accounts**

**For the year to 31 March 2005**



# **Burberrys Limited**

## **Directors' report for the year to 31 March 2005**

The directors submit their report and the audited financial statements for the year to 31 March 2005.

### **Principal activities**

The company's principal activity is to act as a holding company.

### **Results and dividends**

The company's result for the year is £nil (2004: £nil). The Directors do not recommend the payment of a dividend (2004: £nil).

The company intends to continue to act as a holding company in the foreseeable future.

### **Directors and their interests**

The directors who held office during the year were as follows:

S L Cartwright  
C A Gibbons  
R J H Kessell

The interests of S L Cartwright, who is also a director of Burberry Group plc, are shown in the annual report of that company.

The interests of C A Gibbons and R J H Kessell, who are also directors of Burberry Limited, are shown in the annual report of that company.

# Burberrys Limited

## Directors' report for the year to 31 March 2005 (Continued)

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 those 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 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

### Auditors

The company has passed elective resolutions dispensing with the need to hold an Annual General Meeting and annually reappoint auditors. Accordingly, PricewaterhouseCoopers LLP are deemed to have been re-appointed as auditors for the forthcoming year.

By order of the board

26 January 2006



R J H Kessell  
Director

# Burberrys Limited

## Independent auditors' report to the members of Burberrys Limited

We have audited the financial statements which comprise the balance sheet and the related notes.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

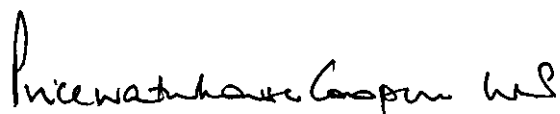
### Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2005 and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors

London

26 January 2006

# Burberrys Limited

## Balance sheet as at 31 March 2005

	Note	2005 £	2004 £
<b>Fixed asset</b>			
Investments	3	602,554,722	602,554,722
<b>Current assets</b>			
Debtors	4	3,442	3,442
<b>Current liabilities</b>			
Creditors – amounts falling due within one year	5	(98,131,977)	-
<b>Net current assets</b>		(98,128,535)	3,442
<b>Total assets less current liabilities</b>		504,426,187	602,558,164
<b>Creditors – amounts falling due more than one year</b>	5	(504,422,345)	(602,554,322)
<b>Net assets</b>		3,842	3,842
<b>Capital and reserves</b>			
Called up share capital	6	5,000	5,000
Profit and loss account	7	(1,158)	(1,158)
<b>Equity Shareholders' Funds</b>	8	3,842	3,842

The notes on pages 5 to 7 form part of these financial statements.

Approved by the board on 26 January 2006

  
C.A. Gibbons  
Director

# **Burberrys Limited**

## **Notes to the financial statements for the year to 31 March 2005**

### **1. Accounting policies**

The principal accounting policies of the company are:

#### **(a) Basis of accounting**

These financial statements have been prepared on the going concern basis under the historical cost convention, and in accordance with applicable accounting standards in the United Kingdom, which have been applied on a consistent basis.

#### **(b) Investments**

Investments held by the company are carried at cost less amounts written off in respect of impairment.

#### **(c) Cash flow statement and related party disclosures**

The company is a wholly owned subsidiary of Burberry Group plc and is included in the consolidated financial statements of Burberry Group plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 ("FRS 1") (revised 1996).

The company is also exempt under the terms of Financial Reporting Standard 8 ("FRS 8") from disclosing related party transactions with entities that are part of the Burberry Group.

### **2. Result for the year**

The company did not receive any dividends from investments in the year nor incur any expenses and accordingly no profit and loss account is presented (2004: £nil).

No directors received any remuneration from the company during the year to 31 March 2005 (2004: £nil).

No employee costs are included in these financial statements. The auditors received remuneration of £750 (2004: £1,000), which was paid by Burberry Limited, a fellow subsidiary.

# Burberrys Limited

## Notes to the financial statements for the year to 31 March 2005 (continued)

### 3. Investments

	£
As at 1 April 2004 and 31 March 2005	602,554,722

The investments are held at cost.

Subsidiary undertaking	Place of registration and incorporation	Percentage of holding of ordinary share capital	Nature of business
Burberry (No. 1) Unlimited	UK	95%	Finance company
Burberry (No. 4) Unlimited	UK	100%	Finance company
Burberry (No. 5) Unlimited	UK	100%	Finance company
Burberry (No. 6) Unlimited	UK	100%	Finance company

As permitted under Section 228(2) of the Companies Act 1985 group financial statements have not been prepared as the company is itself a wholly owned subsidiary of another company (see note 9).

### 4. Debtors

	2005 £	2004 £
Amounts due to group undertakings	3,442	3,442

Amounts due from group undertaking are unsecured, interest free and repayable on demand.

### 5. Creditors

	2005 £	2004 £
Amounts due to group undertakings falling due within one year	98,131,977	-
Amounts due to group undertakings falling due more than one year	504,422,345	602,554,322
Amounts due to group undertakings	602,554,322	602,554,322

Amounts due to group undertakings are unsecured and interest free. An amount of £98,131,977 was repayable on 26 September 2005. On the 26 September 2005 the repayment date for this loan was extended to 26 September 2008. A further £504,422,345 is repayable on 18 December 2008. The company may, at its option, prepay all or any portion of these amounts without penalty or premium.

# Burberrys Limited

## Notes to the financial statements for the year to 31 March 2005 (continued)

### 6. Called up share capital

	2005 Number	2004 Number	2005 £	2004 £
<b>Authorised</b>				
Ordinary shares of £1 each	5,000	5,000	5,000	5,000
<b>Allotted, called up and fully paid</b>				
Ordinary shares of £1 each	5,000	5,000	5,000	5,000

### 7. Reserves

	Profit and loss account £
As at 1 April 2004 and 31 March 2005	(1,158)

### 8. Reconciliation of Shareholders' Funds

	2005 £	2004 £
Opening and Closing Shareholders Funds	3,842	3,842

### 9. Immediate and ultimate parent company

The immediate parent undertaking is Burberry Group plc which is registered in England and Wales and is the parent undertaking of the smallest group to consolidate these financial statements. Copies of the consolidated accounts can be obtained from the Company Secretary at Burberry Group plc, 18-22 Haymarket, London SW1Y 4DQ.

The ultimate parent undertaking and controlling party is GUS plc, which is the parent company of the largest group to consolidate these financial statements. Copies of GUS plc consolidated financial statements can be obtained from the Company Secretary at GUS plc, One Stanhope Gate, London, W1K 1AF.

On 13 December the Burberry Group was demerged from GUS plc and from this date the ultimate parent company of the Group became Burberry Group plc.