

MOVITEX (UK) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
Registered No. 400458

TUESDAY



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COMPANIES HOUSE

MOVITEX (UK) LIMITED

STRATEGIC REPORT

The directors present the strategic report, the directors' report and the audited financial statements for the year ended 31 December 2013.

Business review and principal activities

The company is a wholly owned subsidiary of Kering S.A. and operates as part of the group's UK division.

The company's principal activity is home shopping retailing, trading under the brand name Daxon, and the provision of financial services to those retail customers. There have not been any significant changes in the company's principal activities during the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

Kering S.A., the ultimate parent company of Movitex (UK) Limited, has previously announced an intention to divest its ownership of the Redcats group, which included the Movitex and La Redoute brands. A proposal put forward by two executives of the La Redoute brand to buy the La Redoute side of the Redcats business was accepted by Kering S.A. in 2013 and the La Redoute business was sold out of the Kering group on 2 June 2014. In preparation for this sale of the La Redoute business, on 22 May 2014, the 51% share of the Movitex (UK) Limited owned by Redcats (UK) Limited (a subsidiary affected by the sale of the La Redoute business) was sold to Redcats S.A., which remains a subsidiary of Kering S.A.. The effect of the sale of the 51% share in the company was to retain the ownership of Movitex (UK) Limited within the Kering S.A. group. The Movitex group remains for sale by Kering S.A. and, as at the date of this report, discussions were ongoing with potential buyers.

In prior years, debtors were factored to a fellow subsidiary, Redcats Finance Limited, and the company benefitted from an increased cash position. During the current year, this factoring arrangement was unwound and the debtors held by Redcats Finance Limited were sold back to the company at book value. This resulted in a reduction in the cash position from £7.0m at the end of 2012 to a net overdraft position of £2.2m at the year end. The creditors note 9 shows a reduction in the amounts owed to fellow subsidiaries of £10.1m and the debtors note 7 shows the reclassification of the debtors as 'Trade debtors non-factored'.

Financial review

The company has continued to concentrate on the profitability of its recruitment activities. Its actions to reduce unprofitable sales activity in the preceding years had resulted in a reduction in the size of the customer database at the start of the current year. Despite a reduction in the average customer base year on year of 9.3%, sales increased by 12.9%. Of this increase of £2.3m, 5.4 percentage points, £1.0m, was due to the reclassification of part of the year's factoring fee income as turnover. This was as a result of the transfer of the financing activities to the company in October 2013, rather than being carried out through a fellow subsidiary as was the case in prior years. Separating out the effects of this reclassification, the year on year sales increase was 7.4%: this was driven by an increased level of customer recruitment and a better reactivation rate with customers from previous seasons.

MOVITEX (UK) LIMITED
STRATEGIC REPORT
(continued)

Financial review (continued)

The company extensively trialled recruitment methods and selections last year: the current year saw the most successful of these formats rolled out leading to growth in the active customer database. In addition, the brand has focussed on its product offerings through value for money pricing and products that shape and support the more mature figure. Improved sales were achieved across both seasons showing the new collection and pricing strategy were well received.

Gross margin has increased to 63.2%, of which 1.8% was due to the reclassification of part of the year's Factoring Fee income to Turnover as mentioned above. Without this reclassification, gross margin would have reduced to 61.4% (2012: 61.7%). Favourable exchange movements and a slight increase in selling prices were more than offset by an increase in discount rates from the additional recruitment drive and to remain competitive for online sales. Additionally there was an increase in the cost of goods from the new shape and support product line. The Autumn Winter 2013 catalogue carried an average order value of £51 (2012: £49).

The business is conducted through two main channels: paper and web. During the year under review, the continued investment in the web platform and the special offers targeted at online customers resulted in an increase in web-based activity to 20.0% of net demand level, an improvement on the prior year's 17.6%.

The bad debt to sales ratio of 3.3% has increased compared to last year (2012: 2.8%) reflecting the higher risks when recruiting larger volumes of new customers. The risk profiling undertaken prior to offering credit to customers remains effective in reducing the risk associated with credit accounts. The company continues to maintain rigorous controls to ensure that credit is only offered to customers that pass pre-defined credit assessments. Customer account activity is monitored and debt recovery procedures are initiated to reduce the risk of non-payment once customers have been accepted for credit.

The company's directors believe that further non-financial key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

Despite the current challenging economic conditions, the directors expect the results of the company to remain at similar levels going forward.

MOVITEX (UK) LIMITED

STRATEGIC REPORT

(continued)

Results and dividends

The results of the company are set out on page 9. The profit after tax for the year of £0.6m has been added to reserves (2012: profit of £1.1m added to reserves), resulting in an increase in total equity shareholders' funds to £5.3m (2012: £4.7m). No dividend was paid or proposed in 2013 (2012: £nil).

Principal risks and uncertainties

Competitive environment:

Competitive pressure in the UK is a continuing risk for the company, from a multi-channel perspective. The company manages this risk through implementation of competitive and efficient promotional activity.

Cashflow risk:

The company hedges foreign exchange risk by taking out forward contracts and options. The company does not use derivative financial instruments for speculative purposes.

Credit risk:

The company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The trade debtor exposure is spread over a large number of customers.

Liquidity risk:

The UK group, of which the company is a participant, operates a cash pooling arrangement. In order to ensure that the group has sufficient funds for ongoing operation and future developments the group uses a mixture of short-term and longer-term debt finance.

Going concern

In assessing whether the company's financial statements can be prepared on a going concern basis, the directors have considered the trading and cash flow forecasts for the company and have taken into account the funding available for the twelve months from the date of approval of the annual report and financial statements. The directors have also taken due consideration of the sensitivity to trading conditions in the current uncertain economic climate.

As at 31 December 2013, the company was a participant in the two UK cash pools operated by the Redcats UK group of companies. The net overdraft position at that date was £2.2m.

On 22 May 2014, following the sale of the 51% share of the company to Redcats S.A., the overdraft position was cleared by a £2.75m loan from Redcats S.A. and the company exited from the Redcats UK cash pools. The company has operated within its available cash funds since that date.

MOVITEX (UK) LIMITED
STRATEGIC REPORT
(continued)

Going concern (continued)

After critically assessing the trading and cash forecasts and the funds available, the directors have formed a reasonable expectation that the funding available will be sufficient so that the company can continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the company's annual report and financial statements.

Approved by the Board of Directors
and signed on behalf of the Board.


J-J Huber
Director

26 September 2014
2 Holdsworth Street
Bradford
BD1 4AH

MOVITEX (UK) LIMITED
DIRECTORS' REPORT

Directors

The directors who served during the year and subsequently are shown below:

Jean-Joel Huber	(appointed 1 February 2013)
M.P. Truluck	(resigned 6 August 2014)
F.S.M. Dévé	(resigned 1 July 2013)
A.W. Roberts	(appointed 1 June 2012; resigned 12 July 2013)

Important events affecting the company since the end of the financial year

Attention is drawn to the change in ownership of the company on 22 May 2014. Further details are provided in the strategic report.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Directors' responsibilities statement

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

MOVITEX (UK) LIMITED

DIRECTORS' REPORT

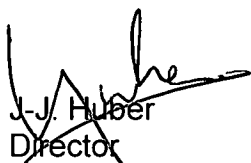
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Directors' responsibilities statement (continued)

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 confirm that the above requirements have been complied with in the financial statements.

Approved by the Board of Directors
and signed on behalf of the Board.


J-J. Huber
Director

26 September 2014

2 Holdsworth Street,
Bradford
BD1 4AH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MOVITEX (UK) LIMITED

We have audited the financial statements of Movitex (UK) Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Reconciliation of Movements in Equity Shareholders' Funds, the Balance Sheet, the Accounting Policies and the related notes 1 to 17. 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).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, 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 International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 annual report 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 implication of our report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MOVITEX (UK) LIMITED
(continued)

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year 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.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.

Matthew Hughes

Matthew Hughes BSc (Hons) ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds, United Kingdom

30 September 2014

MOVITEX (UK) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Turnover	1	20,592	18,245
Cost of sales		(7,582)	(6,992)
		-----	-----
Gross profit		13,010	11,253
Net operating expenses:			
Exceptional (costs) / income			
- Staff reorganisation provisions		(54)	10
Other net operating expenses		(12,281)	(10,170)
		-----	-----
Total net operating expenses	2	(12,335)	(10,160)
		-----	-----
Operating profit	2	675	1,093
Interest receivable and similar income	3	44	39
		-----	-----
Profit on ordinary activities before taxation		719	1,132
Tax on profit on ordinary activities	5	(167)	-
		-----	-----
Profit on ordinary activities after taxation		552	1,132
		=====	=====

All results are derived from continuing operations.

There are no recognised gains and losses other than as stated in the profit and loss account for the current year and the previous year. Accordingly no separate statement of total recognised gains and losses is given.


MOVITEX (UK) LIMITED
RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2013

	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Opening equity shareholders' funds	4,722	3,590
Profit for the year	552 -----	1,132 -----
Closing equity shareholders' funds	5,274 =====	4,722 =====

MOVITEX (UK) LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2013

	Notes	31 December 2013 £'000	31 December 2012 £'000 (restated – see note 7)
Current assets			
Stocks	6	1,298	1,181
Debtors	7	10,165	10,592
Cash at bank and in hand	8	-	7,043
		-----	-----
		11,463	18,816
 Creditors: amounts falling due within one year	 9	 (6,189)	 (14,094)
		-----	-----
 Net current assets and net assets		 5,274	 4,722
		=====	=====
 Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	5,273	4,721
		-----	-----
 Total equity shareholders' funds		 5,274	 4,722
		=====	=====

The financial statements of Movitex (UK) Limited, registration number 400458, were approved by the board of directors on *26 September* 2014. They were signed on its behalf by:


J-J Huber
Director

MOVITEX (UK) LIMITED
ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2013

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards under the historical cost convention.

The principal accounting policies of the company have not changed during either the current or preceding year.

a. **Taxation**

Current tax, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised 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. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

b. **Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost is valued at actual purchase price. Net realisable value represents estimated selling price less all costs incurred in selling and distribution. Provision is made for obsolete, slow-moving or defective items where appropriate.

c. **Catalogue costs**

The costs of catalogue production and printing are charged to the profit and loss account as they are incurred.

d. **Turnover**

Turnover consists of the invoiced value of goods and services sold and delivered during the year stated net of value added tax. Services includes financial services provided to retail customers, including service charges for providing credit facilities, fees for arrears letters and the sale of insurance products.

MOVITEX (UK) LIMITED
ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2013
(continued)

e. **Foreign exchange**

Transactions denominated in foreign currencies are translated at the contracted rate or at the rate ruling at that date. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date, or if appropriate at the forward contract rate. These translation differences are dealt with in the profit and loss account.

f. **Debt factoring**

Debts in the current year are not subject to any debt factoring arrangements. In the prior year, debts were subject to debt factoring arrangements and were shown in the balance sheet as trade debtors, with the corresponding inter-group liability within creditors, as the associated risks and rewards remain with the company.

g. **Going concern**

In assessing whether the company's financial statements can be prepared on a going concern basis, the directors have considered the trading and cash flow forecasts for the company and have taken into account the funding available for the twelve months from the date of approval of the annual report and financial statements. The directors have also taken due consideration of the sensitivity to trading conditions in the current uncertain economic climate.

As at 31 December 2013, the company was a participant in the two UK cash pools operated by the Redcats UK group of companies. The net overdraft position at that date was £2.2m.

On 22 May 2014, following the sale of the 51% share of the company to Redcats S.A., the overdraft position was cleared by a £2.75m loan from Redcats S.A. and the company exited from the Redcats UK cash pools. The company has operated within its available cash funds since that date.

After critically assessing the trading and cash forecasts and the funds available, the directors have formed a reasonable expectation that the funding available will be sufficient so that the company can continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the company's annual report and financial statements.

h. **Derivative financial instruments**

The company uses derivative financial instruments to reduce exposure to foreign exchange risk. The company does not hold or issue derivative financial instruments for speculative purposes.

The company does not apply hedge accounting.

MOVITEX (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

The following notes are an integral part of these financial statements.

1 Turnover

All turnover was generated in the United Kingdom from home shopping retailing, and from the provision of financial services to the retail customers.

2. Operating profit

	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Net operating expenses:		
Distribution costs	(10,365)	(10,932)
Administration expenses - other	(3,673)	(2,017)
Exceptional (costs) / income	(54)	10
	-----	-----
Total administration expenses	(3,727)	(2,007)
	-----	-----
Other operating income - factoring fee	1,757	2,779
	-----	-----
Net operating expenses	(12,335)	(10,160)
	=====	=====

The exceptional costs in the current year relate to an allocation of costs incurred by Redcats (Brands) Limited in relation to staff restructuring costs and the write down of an intangible asset. The restructuring was announced to the employees and paid during 2013.

The exceptional income in the prior year related to the allocation of a portion of an excess staff restructuring provision as released by Redcats (Brands) Limited. The allocation was based on turnover.

The audit fee has been borne by Redcats (Brands) Limited, a fellow subsidiary company, for this year and the previous year. The element relating to Movitex (UK) Limited is £15,000 (2012: £15,000).

MOVITEX (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(continued)

3. Interest receivable and similar income

	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Amounts receivable from group companies	44	39
	=====	=====

4. Staff costs

The company had no employees during the current or preceding financial year. The activities of the company are undertaken by staff employed by Redcats (Brands) Limited. The costs of employment were borne by Redcats (Brands) Limited and have not been recharged to the company in the current or preceding year.

All directors were remunerated by other group companies. The directors received combined emoluments of £297,000 (2012: £157,000) from other group companies during the year, of which £216,000 (2012: £141,000) related to the highest paid director. It is not practicable to ascertain what proportion of these emoluments relates to the company, and consequently no costs have been recharged to the company in the current or preceding year.

5. Tax on profit on ordinary activities

	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
UK Corporation tax at 23.25% (2012: 24.5%)	167	-
	-----	-----
	167	-
Deferred tax:		
Timing differences; origination and reversal	-	-
	-----	-----
	167	-
	=====	=====

MOVITEX (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(continued)

5. Tax on profit on ordinary activities (continued)

The total current tax position for the year differs from that resulting from applying the average standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained below :

	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Profit on ordinary activities before taxation	719 =====	1,132 =====
Tax at 23.25% thereon (2012: 24.5%):	167	277
Effects of: Group relief claimed	- -----	(277) -----
Total current tax	167 =====	- =====

The company's future tax charge will be affected by the change in the UK corporation tax rate.

A number of changes to the UK Corporation Tax system were announced in the March 2013 Budget Statement. The Finance Act 2013 enacted on 17 July 2013 included legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 and a further reduction from 21% to 20% from 1 April 2015.

6. Stocks

Stocks comprise goods for resale. The directors consider that the replacement cost of stock is not significantly different from the value shown in the balance sheet.

MOVITEX (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(continued)

7. Debtors

	31 December 2013 £'000	31 December 2012 £'000 (restated)
Due within one year:		
Trade debtors – non-factored	10,092	63
Trade debtors – factored	-	10,457
Prepayments and accrued income	69	69
Other debtors	4	3
	-----	-----
	10,165	10,592
	=====	=====

During the current year, the arrangements with the fellow subsidiary were unwound: the company transferred the factored debtors back from the fellow subsidiary factoring company. This led to a reduction in the amounts owed to the fellow subsidiary in respect of debt factoring and in the cash position: see notes 8 and 9 below.

In the prior year, a charge existed over £10.5m of the balance shown within trade debtors in favour of HSBC bank to secure borrowing shown in another group company (Redcats Finance Limited). Following the transfer of the factored debtors back to the company during 2013, this charge has reduced to nil at the year end.

The prior year figure for 'Trade debtors – factored' has been restated: trade debtors have been increased by £396,000 with a corresponding increase in 'Other creditors' in note 9. This increase represents balances on customers' accounts owed back to customers at the year end. These credit balances were previously shown as netted off against the 'Trade debtor – factored' balance shown above. The balance owed back to customers at the end of the current year was £307,000 and is shown within "Other creditors" in note 9.

MOVITEX (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(continued)

8. Cash at bank and in hand

The cash balance reduced in the year when the factored debts were bought back from the fellow subsidiary factoring company – see note 7 above. At the year end, the company had a net overdraft position of £2,231,000 as shown in note 9 (2012: £7,043,000 cash).

During 2013, the company participated in cash pooling arrangements in conjunction with the UK subsidiary companies of its parent company, Redcats (UK) Limited. The UK group's net cash pool position held with HSBC at 31 December 2013, which is covered by multi-lateral guarantees for all group companies, was £999,000 cash (2012: £359,000 cash). The UK group's net cash pool position held with Barclays at 31 December 2013, which is covered by multi-lateral guarantees for all group companies, was £32,000 cash (2012: £10,000).

9. Creditors: amounts falling due within one year

	31 December 2013 £'000	31 December 2012 £'000 (restated)
Bank overdraft - secured	2,231	-
Trade creditors	257	510
Amounts due to fellow subsidiaries in respect of debt factoring	-	10,061
Amounts due to group undertakings	1,037	832
Other taxation and social security	469	511
Other creditors	596	663
Accruals and deferred income	1,522	1,517
Corporation tax	77	-
	----- 6,189 =====	----- 14,094 =====

During the year, the company participated in cash pooling arrangements in conjunction with the fellow UK subsidiary companies of its parent company, Redcats (UK) Limited. The UK group's net cash pool position held with HSBC at 31 December 2013, which is covered by multi-lateral guarantees for all group companies, totalled £999,000 cash (2012: £359,000 cash). The UK group's net cash pool position held with Barclays at 31 December 2013, which is covered by multi-lateral guarantees for all group companies, totalled £32,000 cash (2012: £10,000).

During the current year, the company transferred the factored debtors back from the fellow subsidiary factoring company. As a result, the cash position and the amount owed to the fellow subsidiary in respect of debt factoring have both reduced: see also notes 7 and 8 above.

MOVITEX (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(continued)

9. **Creditors: amounts falling due within one year (continued)**

The prior year balance shown as owing to fellow subsidiaries in respect of debt factoring corresponds with the balance shown in note 7 for debts factored.

The prior year figure for 'Other creditors' has been restated: other creditors have been increased by £396,000 with a corresponding increase in 'Trade debtors – factored' in note 7. This increase represents balances on customers' accounts owed back to customers at the year end. These credit balances were previously shown as netted off against the 'Trade debtors – factored' balance in note 7. The balance owed back to customers at the end of the current year was £307,000 and is shown within "Other creditors" above.

10. **Deferred taxation**

The un-provided deferred tax assets are as follows:

	31 December 2013 £'000	31 December 2012 £'000
Capital allowances in excess of depreciation	1	1
	===	===

The company has unprovided tax assets as there is insufficient certainty as to whether events will materialise to crystallise the deferred tax.

11. **Called up share capital**

	31 December 2013 £	31 December 2012 £
2,000 authorised shares of £1 each	2,000	2,000
	=====	=====
600 ordinary shares of £1 each called up, allotted and fully paid	600	600
	===	===

No dividends were proposed or paid in the year (2012: nil).

12. **Profit and loss account**

	£'000
At 1 January 2013	4,721
Profit for the year	552
At 31 December 2013	----- 5,273 =====

MOVITEX (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013
(continued)

13. Cash flow statement

The company has taken advantage of the exemption contained in FRS 1 not to publish its own cash flow statement as it is indirectly a wholly owned subsidiary of Kering S.A. and its cash flows are dealt with in the consolidated cash flow statement of that company.

14. Related party transactions

The company has taken advantage of the exemption contained in FRS 8 not to disclose related party transactions with other group companies as it is a wholly owned subsidiary of Kering S.A..

15. Derivatives not included at fair value

The company has derivatives which are not included at fair value in the financial statements:

	Principal		Fair value	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Forward foreign exchange contracts	574	565	(23)	2
	=====	=====	=====	=====

The company uses the derivatives to hedge its exposure in foreign currency exchange rates arising from foreign currency purchases. The fair values are based on market values of equivalent instruments at the balance sheet date.

16. Ultimate parent company

The company's immediate parent company was Redcats (UK) Limited at the balance sheet date, which is registered in England and Wales.

The company's ultimate parent company and ultimate controlling party is Kering S.A., which is incorporated in France. The only group in which the results of the company are consolidated is headed by Kering S.A..

Copies of the group financial statements of Kering S.A. are available from the Company Secretary, Redcats (UK) Limited, 2 Holdsworth Street, Bradford, West Yorkshire BD1 4AH.

17. Post Balance Sheet Event:

On 23 May, the 51% share of the Movitex (UK) Limited owned by Redcats (UK) Limited was sold to Redcats S.A., a subsidiary of Kering S.A..