

CROCKETT AND JONES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2016



CROCKETT AND JONES LIMITED

COMPANY INFORMATION

Directors	R M Jones (deceased 4 March 2016) J P M Jones E Wilson Jones (resigned 8 July 2015) N M Jones
Company secretary	A Coles
Registered number	451921
Registered office	27 Perry Street Northampton Northamptonshire NN1 4HN
Independent auditors	Moore Stephens LLP Cheviot House 53 Sheep Street Northampton NN1 2NE
Bankers	Barclays Bank Plc Level 27 1 Churchill Place London E14 5HP
Solicitors	Hewitsons Elgin House Billing Road Northampton Northamptonshire NN1 5AU

CROCKETT AND JONES LIMITED

CONTENTS

	Page
Group Strategic Report	1
Directors' Report	2 - 3
Independent Auditors' Report	4 - 5
Consolidated Profit and Loss Account	6
Consolidated Statement of Comprehensive Income	7
Consolidated Balance Sheet	8 - 9
Company Balance Sheet	10
Consolidated Statement of Changes in Equity	11 - 12
Company Statement of Changes in Equity	13 - 14
Consolidated Statement of Cash Flows	15
Notes to the Financial Statements	16 - 43

CROCKETT AND JONES LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 29 FEBRUARY 2016

Business review

The group is engaged in the manufacture and sale of footwear and associated products.

The profit for the year, after taxation, amounted to £3,165,000.

The directors recommend that a final dividend of 200p (2015 - 175p) a share should be paid. The total dividends payable in respect of the year ended 29 February 2016 total 360p a share (2015 - 325p).

Key performance indicators

The directors of the group monitor its performance by reference to the following key performance indicators:

Turnover - The turnover for the year was £28,125,000 (2015 - £26,638,000).

Operating profit - The operating profit for the year was £3,904,000 (2015 - £2,938,000).

Financial risk management objectives and policies

The management of the business and the execution of the group's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the group are considered to relate to the group having a strong order book to enable the production capacity to be fully utilised, foreign currency exchange rates allowing the company to remain competitive in export markets, employee retention, and continued supply of quality raw materials.

The company uses forward exchange contracts for Euro and U.S. Dollar when necessary to protect its position against fluctuation on exchange for sales made in foreign currencies. The company is exposed to the usual credit risk and cashflow risk associated with its business and manages this through tight credit control procedures.

Outlook

Due to the downturn in global business, the company is anticipating a reduction in orders from certain international markets this year, which may affect production volumes.

The quality and availability of good calf leather remains a problem for the foreseeable future, and the company is working hard to ensure reliable supplies.

Sales in our own retail shops in the U.K. and overseas are stable so far this year, despite business uncertainties and currency fluctuations. The company is continuing to invest in its retail divisions. In June 2016 we opened a new shop in the Marais district of Paris, and later in the year we will be closing our New York shop and moving to larger premises in a better location on 55th Street, New York.

This report was approved by the board on 13 July 2016 and signed on its behalf.



A Coles
Secretary

CROCKETT AND JONES LIMITED**DIRECTORS' REPORT
FOR THE YEAR ENDED 29 FEBRUARY 2016**

The directors present their report and the financial statements for the year ended 29 February 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group financial statements 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The group is engaged in the manufacture and sale of footwear and associated products.

Directors

The directors who served during the year were:

R M Jones (deceased 4 March 2016)
J P M Jones
E Wilson Jones (resigned 8 July 2015)
N M Jones

Fixed assets

The directors are of the opinion that the market value of land and buildings is in excess of the book value. However, in the absence of any plans to make any major sales the cost of a professional valuation is not considered justified.

Strategic report

A separate strategic report has been prepared by the directors and is included on page 1 of these financial statements.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 29 FEBRUARY 2016**

Disabled employees

The company gives us full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career developments and promotion to disabled employees wherever appropriate.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

Under section 487(2) of the Companies Act 2006, Moore Stephens LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 13 July 2016 and signed on its behalf.



A Coles
Secretary

CROCKETT AND JONES LIMITED**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CROCKETT AND JONES LIMITED**

We have audited the financial statements of Crockett and Jones Limited for the year ended 29 February 2016, set out on pages 6 to 43. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' 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 Auditors

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 Financial Reporting Council'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 Group's and the parent 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 Group Strategic Report and the Directors' 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 implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 29 February 2016 and of the Group's 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

CROCKETT AND JONES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CROCKETT AND JONES LIMITED

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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Moore Stephens LLP

SUKHJINDER AULAK (Senior Statutory Auditor)

for and on behalf of
Moore Stephens LLP

Cheviot House
53 Sheep Street
Northampton
NN1 2NE

Date: *29 July 2016*

CROCKETT AND JONES LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29 FEBRUARY 2016**

		2016	<i>2015</i>
		£000	<i>£000</i>
Turnover	4	28,125	26,638
Cost of sales		(15,734)	(15,704)
Gross profit		12,391	<i>10,934</i>
Distribution costs		(4,584)	(4,384)
Administrative expenses		(3,944)	(3,653)
Other operating income	5	41	41
Operating profit	6	3,904	<i>2,938</i>
Income from fixed assets investments		40	25
Interest receivable and similar income	10	2	6
Interest payable and expenses	11	(4)	(7)
Profit before tax		3,942	<i>2,962</i>
Tax on profit	12	(777)	(560)
Profit for the year		<u>3,165</u>	<i><u>2,402</u></i>
Profit for the year attributable to:			
Non-controlling interests		46	23
Owners of the parent		3,119	2,379
		<u>3,165</u>	<i><u>2,402</u></i>

The notes on pages 16 to 43 form part of these financial statements.

CROCKETT AND JONES LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2016

	Note	2016 £000	2015 £000
Profit for the financial year		3,165	2,402
Other comprehensive income			
Unrealised (deficit)/surplus on revaluation of fixed asset investments		(101)	121
Other comprehensive income		(65)	(23)
Other comprehensive income for the year		<u>(166)</u>	<u>98</u>
Total comprehensive income for the year		<u><u>2,999</u></u>	<u><u>2,500</u></u>
Profit for the year attributable to:			
Non-controlling interest		46	23
Owners of the parent Company		3,119	2,379
		<u><u>3,165</u></u>	<u><u>2,402</u></u>
Total comprehensive income attributable to:			
Non-controlling interest		46	23
Owners of the parent Company		2,953	2,477
		<u><u>2,999</u></u>	<u><u>2,500</u></u>

CROCKETT AND JONES LIMITED
REGISTERED NUMBER: 451921

CONSOLIDATED BALANCE SHEET
AS AT 29 FEBRUARY 2016

	Note	29 February 2016 £000	28 February 2015 £000
Fixed assets			
Tangible assets	15	4,166	4,217
Investments	16	2,445	2,406
		<u>6,611</u>	<u>6,623</u>
Current assets			
Stocks	17	7,609	6,839
Debtors: amounts falling due within one year	18	3,690	2,870
Cash at bank and in hand	19	5,834	4,192
		<u>17,133</u>	<u>13,901</u>
Creditors: amounts falling due within one year	20	(2,710)	(2,526)
Net current assets		<u>14,423</u>	<u>11,375</u>
Total assets less current liabilities		<u>21,034</u>	<u>17,998</u>
Creditors: amounts falling due after more than one year	21	(354)	(26)
Provisions for liabilities			
Deferred taxation	23	(422)	(372)
Net assets		<u><u>20,258</u></u>	<u><u>17,600</u></u>

CROCKETT AND JONES LIMITED
REGISTERED NUMBER: 451921

CONSOLIDATED BALANCE SHEET (continued)
AS AT 29 FEBRUARY 2016

		29 February 2016 £000	28 February 2015 £000
	Note		
Capital and reserves			
Called up share capital	24	122	122
Share premium account	25	485	485
Revaluation reserve	25	183	189
Capital redemption reserve	25	221	221
Investment revaluation reserve	25	-	111
Profit and loss account	25	18,956	16,227
Equity attributable to owners of the parent Company		19,967	17,355
Non-controlling interests		291	245
		20,258	17,600

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 July 2016.



J P M Jones
Director

The notes on pages 16 to 43 form part of these financial statements.

CROCKETT AND JONES LIMITED
REGISTERED NUMBER: 451921

COMPANY BALANCE SHEET
AS AT 29 FEBRUARY 2016

	Note	29 February 2016 £000	28 February 2015 £000
Fixed assets			
Tangible assets	15	3,350	3,394
Investments	16	2,575	2,536
		<u>5,925</u>	<u>5,930</u>
Current assets			
Stocks	17	6,677	5,977
Debtors: amounts falling due within one year	18	4,417	3,739
Cash at bank and in hand	19	4,399	3,308
		<u>15,493</u>	<u>13,024</u>
Creditors: amounts falling due within one year	20	(2,227)	(2,172)
Net current assets		<u>13,266</u>	<u>10,852</u>
Total assets less current liabilities		<u>19,191</u>	<u>16,782</u>
Creditors: amounts falling due after more than one year	21	(26)	(26)
Provisions for liabilities			
Deferred taxation	23	(422)	(372)
Net assets		<u><u>18,743</u></u>	<u><u>16,384</u></u>
Capital and reserves			
Called up share capital	24	122	122
Share premium account	25	485	485
Revaluation reserve	25	183	189
Capital redemption reserve	25	221	221
Investment revaluation reserve	25	-	111
Profit and loss account	25	17,732	15,256
		<u><u>18,743</u></u>	<u><u>16,384</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 July 2016.


J P M Jones
 Director

CROCKETT AND JONES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 29 FEBRUARY 2016

	Share capital £000	Share premium £000	Capital redemption reserve £000	Revaluation reserve £000	Investment revaluation reserve £000	Retained earnings £000	Equity attributable to owners of parent Company £000	Non- controlling interests £000	Total equity £000
At 1 March 2015	122	485	221	189	111	16,227	17,355	245	17,600
Comprehensive income for the year									
Profit for the year	-	-	-	-	-	3,119	3,119	46	3,165
Unrealised loss on investments	-	-	-	-	(111)	-	(111)	-	(111)
Total comprehensive income for the year	-	-	-	-	(111)	3,119	3,008	46	3,054
Dividends: Equity capital	-	-	-	-	-	(396)	(396)	-	(396)
Transfer to/from profit and loss account	-	-	-	(6)	-	6	-	-	-
Total transactions with owners	-	-	-	(6)	-	(390)	(396)	-	(396)
At 29 February 2016	122	485	221	183	-	18,956	19,967	291	20,258

CROCKETT AND JONES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2015

	Share capital	Share premium	Capital redemption reserve	Revaluation reserve	Investment revaluation reserve	Retained earnings	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 March 2014	122	485	221	195	-	14,238	15,261	222	15,483
Comprehensive income for the year									
Profit for the year	-	-	-	-	-	2,379	2,379	23	2,402
Unrealised gains on investments	-	-	-	-	111	-	111	-	111
Total comprehensive income for the year	-	-	-	-	111	2,379	2,490	23	2,513
Dividends: Equity capital	-	-	-	-	-	(396)	(396)	-	(396)
Transfer to/from profit and loss account	-	-	-	(6)	-	6	-	-	-
Total transactions with owners	-	-	-	(6)	-	(390)	(396)	-	(396)
At 28 February 2015	122	485	221	189	111	16,227	17,355	245	17,600

The notes on pages 16 to 43 form part of these financial statements.

CROCKETT AND JONES LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 29 FEBRUARY 2016

	Share capital	Share premium	Capital redemption reserve	Revaluation reserve	Investment revaluation reserve	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000	£000
At 1 March 2015	122	485	221	189	111	15,256	16,384
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	2,866	2,866
Unrealised loss on investments	-	-	-	-	(111)	-	(111)
Total comprehensive income for the year	-	-	-	-	(111)	2,866	2,755
Contributions by and distributions to owners							
Dividends: Equity capital	-	-	-	-	-	(396)	(396)
Transfer to/from profit and loss account	-	-	-	(6)	-	6	-
Total transactions with owners	-	-	-	(6)	-	(390)	(396)
At 29 February 2016	122	485	221	183	-	17,732	18,743

CROCKETT AND JONES LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2015

	Share capital	Share premium	Capital redemption reserve	Revaluation reserve	Investment revaluation reserve	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000	£000
At 1 March 2014	122	485	221	195	-	13,625	14,648
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	2,021	2,021
Unrealised gains on investments	-	-	-	-	111	-	111
Total comprehensive income for the year	-	-	-	-	111	2,021	2,132
Contributions by and distributions to owners							
Dividends: Equity capital	-	-	-	-	-	(396)	(396)
Transfer to/from profit and loss account	-	-	-	(6)	-	6	-
Total transactions with owners	-	-	-	(6)	-	(390)	(396)
At 28 February 2015	122	485	221	189	111	15,256	16,384

The notes on pages 16 to 43 form part of these financial statements.

CROCKETT AND JONES LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

	29 February 2016 £000	<i>28 February 2015 £000</i>
Cash flows from operating activities		
Profit for the financial year	3,165	2,402
Adjustments for:		
Depreciation of tangible assets	548	469
Loss on disposal of tangible assets	-	(12)
Increase in stocks	(770)	(1,277)
Interest paid	4	7
Interest received	(41)	(41)
Taxation	777	560
Increase in debtors	(820)	(224)
Increase in creditors	193	(32)
Corporation tax	(420)	(676)
Net cash generated from operating activities	2,636	1,179
Cash flows from investing activities		
Purchase of tangible fixed assets	(496)	(1,320)
Sale of tangible fixed assets	-	17
Purchase of listed investments	(1,099)	(3,186)
Sale of listed investments	959	891
Interest received	2	4
Income from investments	5	35
Dividends received	35	-
Net cash from investing activities	(594)	(3,559)
Cash flows from financing activities		
Capital element of hire purchase	-	(6)
Dividends paid	(396)	(396)
Interest paid	(4)	(6)
Net outflow from other long-term creditors	-	(7)
Net cash used in financing activities	(400)	(415)
Net increase / (decrease) in cash and cash equivalents	1,642	(2,795)
Cash and cash equivalents at beginning of year	4,192	6,987
Cash and cash equivalents at the end of year	5,834	4,192
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,834	4,192

CROCKETT AND JONES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016****1. General information**

Crockett and Jones Limited is a limited liability company incorporated and domiciled in England & Wales.

The Registered Office is 27 Perry Street, Northampton, Northamptonshire, NN1 4HN.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 29.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of Group and its own subsidiaries ("the Group") as they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 March 2015. Therefore, the Group continues to recognise a merger reserve which arose on a past business combination that was accounted for as a merger in accordance with UK GAAP as applied at that time.

2.3 Going concern

The Group accounts have been prepared on the going concern basis and reports net current assets of £14,423,000 and therefore meets all its obligations as they fall due. For this reason the directors consider it appropriate to continue to adopt the going concern basis in preparing the accounts.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

2. Accounting policies (continued)**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2%	of cost or valuation
Plant and machinery	- 12.5%	of cost
Motor vehicles	- 25%	of cost or period of lease
Fixtures and fittings	-	over period of lease
Office equipment	- 20%	of cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Consolidated Profit and Loss Account.

CROCKETT AND JONES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

2. Accounting policies (continued)**2.6 Revaluation of tangible fixed assets**

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and capitalised borrowing costs. All items are carried at depreciated cost, except the company's freehold land and buildings that were frozen at modified historic cost in 1987.

Revaluation gains and losses are recognised in the Consolidated Profit and Loss Account unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the Consolidated Profit and Loss Account.

2.7 Operating leases: Lessee

Rentals paid under operating leases are charged to the Consolidated Profit and Loss Account on a straight line basis over the period of the lease

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

2. Accounting policies (continued)

2.12 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i) at fair value with changes recognised in the Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- ii) at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

CROCKETT AND JONES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

2. Accounting policies (continued)**2.14 Finance costs**

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.16 Pensions**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payments obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

Defined benefit pension plan

The Group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

2. Accounting policies (continued)**2.17 Interest income**

Interest income is recognised in the Consolidated Profit and Loss Account using the effective interest method.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**4. Analysis of turnover**

	2016	2015
	£000	£000
Turnover	28,125	26,638
	<u>28,125</u>	<u>26,638</u>

Analysis of turnover by country of destination:

	2016	2015
	£000	£000
United Kingdom	13,015	11,617
Rest of the world	15,110	15,021
	<u>28,125</u>	<u>26,638</u>

5. Other operating income

	2016	2015
	£000	£000
Net rents receivable	41	41
Management charge receivable	-	-
	<u>41</u>	<u>41</u>

6. Operating profit

The operating profit is stated after charging:

	2016	2015
	£000	£000
Depreciation of tangible fixed assets	548	469
Fees payable to the Group's auditor and its associates for the audit of the company's annual accounts	33	27
Exchange differences	(258)	159
Defined contribution pension cost	<u>762</u>	<u>730</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2016	2015
	£000	£000
Wages and salaries	9,522	9,327
Social security costs	778	752
Other pension costs	770	695
	<u>11,070</u>	<u>10,774</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016	2015
	No.	No.
Production staff	290	286
Selling and Distribution	75	70
Administrative staff	24	23
Supervision and maintenance staff	21	21
	<u>410</u>	<u>400</u>

8. Directors' remuneration

	2016	2015
	£000	£000
Directors' emoluments	383	364
	<u>383</u>	<u>364</u>

The highest paid director received remuneration of £220,000 (2015 - £206,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £20,692 (2015 - £33,283).

CROCKETT AND JONES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

9. Income from investments

	2016	2015
	£000	£000
Income from fixed asset investments	5	-
	<u>5</u>	<u>-</u>
Dividends received from unlisted investments	35	25
	<u>35</u>	<u>25</u>

10. Interest receivable

	2016	2015
	£000	£000
Other interest receivable	2	6
	<u>2</u>	<u>6</u>

11. Interest payable and similar charges

	2016	2015
	£000	£000
Bank interest payable	4	6
Finance leases and hire purchase contracts	-	1
	<u>4</u>	<u>7</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

12. Taxation

	2016	2015
	£000	£000
Corporation tax		
Current tax on profits for the year	727	424
Adjustments in respect of previous periods	-	(1)
	<u>727</u>	<u>423</u>
Total current tax	<u>727</u>	<u>423</u>
Deferred tax		
Capital allowances	50	111
Other	-	26
Total deferred tax	<u>50</u>	<u>137</u>
Taxation on profit on ordinary activities	<u>777</u>	<u>560</u>
Factors affecting tax charge for the year		
The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20.08% (2015 - 21.17%). The differences are explained below:		
	2016	2015
	£000	£000
Profit on ordinary activities before tax	<u>3,942</u>	<u>2,962</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.08% (2015 - 21.17%)	792	627
Effects of:		
Income adjustments	(5)	(7)
Adjustments to tax charge in respect of prior periods	-	(1)
Short term timing difference leading to an increase (decrease) in taxation	-	(81)
Pension timing differences	-	(34)
Subsidiary adjustments on consolidation	(60)	(81)
Deferred tax charge	50	137
Total tax charge for the year	<u>777</u>	<u>560</u>

CROCKETT AND JONES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

13. Dividends

	29 February 2016 £000	<i>28 February 2015 £000</i>
Equity dividends on ordinary £1 shares	396	396
	<u>396</u>	<u>396</u>

Equity dividends are recognised when they become legally payable. The dividends paid in the year to 29 February 2016 relate to the financial year ended 28 February 2015. More information about the dividends is given in the strategic report.

14. Parent Company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements. The profit after tax of the parent Company for the year was £2,866,000 (2015 - £2,021,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

15. Tangible fixed assets**Group**

	Freehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Office equipment	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
At 1 March 2015	505	1,233	158	4,530	331	6,757
Additions	191	182	-	124	-	497
Disposals	-	(24)	-	-	-	(24)
At 29 February 2016	696	1,391	158	4,654	331	7,230
Depreciation						
At 1 March 2015	107	718	82	1,502	131	2,540
Charge owned for the period	14	140	35	359	-	548
Disposals	-	(24)	-	-	-	(24)
At 29 February 2016	121	834	117	1,861	131	3,064
Net book value						
At 29 February 2016	<u>575</u>	<u>557</u>	<u>41</u>	<u>2,793</u>	<u>200</u>	<u>4,166</u>
At 28 February 2015	<u>399</u>	<u>515</u>	<u>76</u>	<u>3,028</u>	<u>199</u>	<u>4,217</u>

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

15. Tangible fixed assets (continued)

The net book value of land and building may be further analysed as follows:

	29 February 2016 £000	28 February 2015 £000
Freehold	575	399
	<u>575</u>	<u>399</u>

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

Company

	Freehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Office equipment	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
At 1 March 2015	505	1,233	158	3,145	331	5,372
Additions	191	182	-	42	-	415
Disposals	-	(24)	-	-	-	(24)
At 29 February 2016	696	1,391	158	3,187	331	5,763
Depreciation						
At 1 March 2015	107	718	82	939	131	1,977
Charge owned for the period	14	140	35	271	-	460
Disposals	-	(24)	-	-	-	(24)
At 29 February 2016	121	834	117	1,210	131	2,413
At 29 February 2016	<u>575</u>	<u>557</u>	<u>41</u>	<u>1,977</u>	<u>200</u>	<u>3,350</u>
At 28 February 2015	<u>399</u>	<u>515</u>	<u>76</u>	<u>2,205</u>	<u>199</u>	<u>3,394</u>

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	29 February 2016 £000	28 February 2015 £000
Group		
Cost	37	37
Accumulated depreciation	(12)	(11)
Net book value	25	26

16. Fixed asset investments**Group**

	Listed investments £000
Cost or valuation	
At 1 March 2015	2,406
Additions	1,099
Disposals	(959)
Revaluations	(101)
At 29 February 2016	2,445
Net book value	
At 29 February 2016	2,445
At 28 February 2015	2,406

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

16. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
C and J Paris SARL	France	Ordinary	66 %	Retail sale of footwear and associated products in France
Crockett and Jones USA, Inc	USA	Ordinary	100 %	Retail sale of footwear and associated products in USA
Crockett and Jones Belgium	Belgium	Ordinary	66 %	Retail sale of footwear and associated products in Belgium
Crockett and Jones (Retail) Limited	UK	Ordinary	100 %	Dormant

The aggregate of the share capital and reserves as at 29 February 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves 29 February £000	Profit/(loss) 29 February £000
C and J Paris SARL	852,282	109,353
Crockett and Jones USA, Inc	992,073	176,630
Crockett and Jones Belgium	(128,062)	15,881
Crockett and Jones (Retail) Limited	53,284	-
	<u>1,769,577</u>	<u>301,864</u>

Listed investments

The fair value of the listed investments at 29 February 2016 was £2,445K (2015 - £2,406K).

CROCKETT AND JONES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

16. Fixed asset investments (continued)**Company**

	Investments in subsidiary companies £000	Listed investments £000	Total £000
At 1 March 2015	130	2,406	2,536
Additions	-	1,099	1,099
Disposals	-	(959)	(959)
Revaluations	-	(101)	(101)
At 29 February 2016	130	2,445	2,575
Net book value			
At 29 February 2016	130	2,445	2,575
At 28 February 2015	130	2,406	2,536

17. Stocks

	Group 29 February 2016 £000	Group 28 February 2015 £000	Company 29 February 2016 £000	Company 28 February 2015 £000
Raw materials and consumables	1,566	1,789	1,566	1,789
Work in progress (goods to be sold)	1,171	1,153	1,171	1,153
Finished goods and goods for resale	4,872	3,897	3,940	3,035
	<u>7,609</u>	<u>6,839</u>	<u>6,677</u>	<u>5,977</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

	Group 29 February 2016 £000	Group 28 February 2015 £000	Company 29 February 2016 £000	Company 28 February 2015 £000
Trade debtors	3,054	2,438	3,041	2,390
Amounts owed by group undertakings	-	-	1,135	1,077
Other debtors	217	178	82	74
Prepayments and accrued income	223	254	159	198
Tax recoverable	196	-	-	-
	<u>3,690</u>	<u>2,870</u>	<u>4,417</u>	<u>3,739</u>

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

19. Cash and cash equivalents

	Group 29 February 2016 £000	<i>Group</i> <i>28 February</i> <i>2015</i> <i>£000</i>	Company 29 February 2016 £000	<i>Company</i> <i>28 February</i> <i>2015</i> <i>£000</i>
Cash at bank and in hand	5,834	4,192	4,399	3,308
	<u>5,834</u>	<u>4,192</u>	<u>4,399</u>	<u>3,308</u>

20. Creditors: Amounts falling due within one year

	Group 29 February 2016 £000	<i>Group</i> <i>28 February</i> <i>2015</i> <i>£000</i>	Company 29 February 2016 £000	<i>Company</i> <i>28 February</i> <i>2015</i> <i>£000</i>
Trade creditors	803	898	487	712
Amounts owed to group undertakings	-	-	65	65
Corporation tax	430	124	430	124
Taxation and social security	353	314	299	264
Other creditors	738	731	563	551
Accruals and deferred income	386	459	383	456
	<u>2,710</u>	<u>2,526</u>	<u>2,227</u>	<u>2,172</u>

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

	Group 29 February 2016 £000	<i>Group</i> <i>28 February</i> <i>2015</i> <i>£000</i>	Company 29 February 2016 £000	<i>Company</i> <i>28 February</i> <i>2015</i> <i>£000</i>
Other creditors	328	-	-	-
Share capital treated as debt	26	26	26	26
	<u>354</u>	<u>26</u>	<u>26</u>	<u>26</u>

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

22. Financial instruments

	Group 29 February 2016 £000	<i>Group</i> <i>28 February</i> <i>2015</i> <i>£000</i>	Company 29 February 2016 £000	<i>Company</i> <i>28 February</i> <i>2015</i> <i>£000</i>
Financial assets measured at fair value through profit or loss	5,834	4,192	4,399	3,308
Financial assets that are debt instruments measured at amortised cost	3,271	2,616	4,258	3,541
	<u>9,105</u>	<u>6,808</u>	<u>8,657</u>	<u>6,849</u>
Financial liabilities measured at amortised cost	(2,324)	(2,067)	(1,844)	(1,716)
	<u>(2,324)</u>	<u>(2,067)</u>	<u>(1,844)</u>	<u>(1,716)</u>

Financial assets measured at amortised cost comprise trade debtors, amounts owed from group undertakings and other debtors.

Financial Liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, corporation tax, taxations and social security and other creditors.

23. Deferred taxation

Group

	Deferred tax £000
At 1 March 2015	(372)
Charged to the profit or loss	(50)
At 29 February 2016	<u>(422)</u>

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

Company

Deferred tax £000

At 1 March 2015	(372)
Charged to the profit or loss	(50)
At 29 February 2016	(422)

The provision for deferred taxation is made up as follows:

	Group 29 February 2016 £000	<i>Group 28 February 2015 £000</i>	Company 29 February 2016 £000	<i>Company 28 February 2015 £000</i>
Accelerated capital allowances	(269)	(219)	(269)	(219)
Other timing differences	(153)	(153)	(153)	(153)
	<u>(422)</u>	<u>(372)</u>	<u>(422)</u>	<u>(372)</u>

24. Share capital

	29 February 2016 £000	<i>28 February 2015 £000</i>
Shares classified as equity		
Authorised		
209,992 Ordinary shares shares of £1 each	210	210
18,537A Ordinary shares shares of £1 each	19	19
131,463 9.75% A cumulative redeemable preference shares shares of £1 each	131	131
	<u>360</u>	<u>360</u>
Allotted, called up and fully paid		
121,709 Ordinary shares shares of £1 each	<u>122</u>	<u>122</u>
	29 February 2016 £000	<i>28 February 2015 £000</i>
Shares classified as debt		
Authorised		
40,008 4.2% cumulative preference shares shares of £1 each	<u>40</u>	<u>40</u>
Allotted, called up and fully paid		
26,162 4.2% cumulative preference shares shares of £1 each	<u>26</u>	<u>26</u>

CROCKETT AND JONES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016****25. Reserves****Share premium**

This reserve records the amount above the nominal value received for shares sold, less transaction costs. There was no movement on the share premium reserve in the financial year.

Revaluation reserve

The revaluation reserve is used for the surplus on the revaluation of the property. Each year an amount is transferred from this reserve to the profit & loss reserve which represent depreciation on the surplus.

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company. There was no movement on the capital redemption reserve in the financial year.

Investment revaluation reserve

The investment revaluation reserve is used for the gains on investments.

Profit and loss account

Includes all current and prior years' accumulated profits and losses.

The movement in reserves are shown in the Consolidated and Company Statements of changes in equity.

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

26. Pension commitments

The Group has operated a Defined Benefit Pension Scheme.

The company has operated a defined benefit scheme in the UK. This was a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. In August 2011, the scheme's assets were transferred to MetLife (now part of Rothesay Life) to buy-in all members' benefits. This exercise covered all scheme benefits, including the money purchase benefits with a GMP underpin that accrued between 6 April 1992 and 6 April 1997. Existing pensions in payment as at that date had already been secured with insurance companies in the name of the Trustees and they were therefore not covered under the buy-in. On 27 July 2015, the trustees were fully discharged from these pension scheme liabilities. As at 29 February 2016, the only remaining scheme liabilities and assets are in respect of the pensions in payment still held in the trustees' name which, for consistency with the approach taken in previous years, are excluded from these disclosures.

A full actuarial valuation was carried out at 1 January 2010 and updated to 27 July 2015 by a qualified actuary, independent of the scheme's sponsoring employer.

This most recent actuarial valuation showed a deficit of £918,000. The company had agreed with the trustees that it would aim to eliminate the deficit over a period of 9 years from 1 January 2011 by the payment of annual contributions of £76,800 in respect of the deficit. However, as a result of the buy-in transaction, no contributions have needed to be paid over in the year ended 29 February 2016.

Reconciliation of present value of plan liabilities:

	29 February 2016 £000	<i>28 February 2015 £000</i>
Reconciliation of present value of plan liabilities		
At the beginning of the year	3,019	2,536
Interest cost	40	106
Actuarial gains/losses	(131)	420
Benefits paid	(18)	(43)
Liabilities extinguished on settlements	(2,910)	-
At the end of the year	<u>-</u>	<u>3,019</u>
	29 February 2016 £000	<i>28 February 2015 £000</i>
At the beginning of the year	3,019	2,536
Interest income	40	106
Actuarial gains/losses	(131)	420
Benefits paid	(18)	(43)
Assets distributed on settlements	(2,910)	-
At the end of the year	<u>-</u>	<u>3,019</u>

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

26. Pension commitments (continued)

	29 February 2016 £000	28 February 2015 £000
Fair value of plan assets	-	3,019
Present value of plan liabilities	-	(3,019)
Net pension scheme liability	-	-
The amounts recognised in profit or loss are as follows:		
	29 February 2016 £000	28 February 2015 £000
Current service cost	(8)	34
Total	(8)	34

Closing defined benefit obligation

The cumulative amount of actuarial gains and losses recognised in the Consolidated Profit and Loss Account was £NIL (2015 - £NIL).

The Group expects to contribute £NIL to its Defined Benefit Pension Scheme in 2017.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2016 %	2015 %
Discount rate	3.5	3.2
Allowance for revaluation of deferred pensions of RPI or 5% p.a if less	3.2	3.2
Inflation assumption	3.2	3.0
Mortality rates		
- for a male aged 65 now	23.7	23.6
- at 65 for a male aged 45 now	25.7	25.6
- for a female aged 65 now	26.2	26.1
- at 65 for a female member aged 45 now	28	28

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes	2015 £000	2014 £000	2013 £000	2012 £000
Defined benefit obligation	(3,019)	(2,536)	(2,450)	(2,275)
Scheme assets	3,019	2,536	2,450	2,275
Surplus	-	-	-	-
Experience adjustments on scheme liabilities	-	-	-	(23)

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

26. Pension commitments (continued)

Experience adjustments on scheme assets	420	25	114	(322)
	<u>420</u>	<u>25</u>	<u>114</u>	<u>(345)</u>

27. Commitments under operating leases

At 29 February 2016 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 29 February 2016 £000	<i>Group 28 February 2015 £000</i>	Company 29 February 2016 £000	<i>Company 28 February 2015 £000</i>
Not later than 1 year	3,500	30,950	3,500	30,950
Later than 1 year and not later than 5 years	106,167	-	106,167	-
Later than 5 years	8,404,313	7,816,263	8,404,313	7,816,263
Total	<u>8,513,980</u>	<u><i>7,847,213</i></u>	<u>8,513,980</u>	<u><i>7,847,213</i></u>

28. Related party transactions

The company was under no overall control throughout the current and previous year.

During the year the company made sales totalling £912,122 (2015 - £1,086,747) to C and J Paris Sarl; £802,241 (2015 - £806,987) to Crockett and Jones USA, Inc. and £146,009 (2015 - £116,022) to Crockett & Jones Belgium. Each of the companies is a subsidiary undertaking. During the year the company raised management charges totalling £nil (2015 - £84,000) to Crockett and Jones USA, Inc. During the year the company made a contribution of £46,154 (2015 - £50,000) towards advertising costs incurred by C and J Paris Sarl.

At 29 February 2016, C and J Paris Sarl owed an amount of £85,698 (2015: £408,631) to the company on normal trade accounts and a balance of £290,920 (2015 - £144,766) was due on a loan account. Interest totalling £3,482 (2015 - £4,773) was charged on the loan account during the year. There is no fixed date for repayment of the loan.

At 29 February 2016, Crockett and Jones USA, Inc owed the company £87,205 (2015: £61,058) on normal trade accounts and £420,731 (2015: £200,315) was due on a loan account. Interest totalling £3,850 (2015 - £6,600) was charged on the loan account during the year. There is no fixed date for repayment of the loan.

At 29 February 2016, Crockett & Jones Belgium, owed the company £100,055 (2015 - £113,210) on normal trade accounts and £149,372 (2015: £149,371) was due on a loan account. Interest totalling £3,118 (2015: £3,118) was charged on the loan account during the year. There is no fixed date for repayment of the loan.

At 29 February 2016 the company owed Crockett and Jones (Retail) Limited £64,684 (2015 - £64,684) on an interest free loan account. There is no fixed date for repayment of the loan.

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

29. First time adoption of FRS 102

Group

Note	As previously stated 1 March 2014 £000	Effect of transition 1 March 2014 £000	FRS 102 (as restated) 1 March 2014 £000	As previously stated 28 February 2015 £000	Effect of transition 28 February 2015 £000	FRS 102 (as restated) 28 February 2015 £000
Fixed assets	3,372	-	3,372	6,623	-	6,623
Current assets	15,195	-	15,195	13,901	-	13,901
Creditors: amounts falling due within one year	(2,999)	183	(2,816)	(2,709)	183	(2,526)
Net current assets	12,196	183	12,379	11,192	183	11,375
Total assets less current liabilities	15,568	183	15,751	17,815	183	17,998
Creditors: amounts falling due after more than one year	(33)	-	(33)	(26)	-	(26)
Provisions for liabilities	(235)	-	(235)	(372)	-	(372)
Net assets	15,300	183	15,483	17,417	183	17,600
Capital and reserves	15,300	183	15,483	17,417	183	17,600

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

29. First time adoption of FRS 102 (continued)

	Note	As previously stated 28 February 2015 £000	Effect of transition 28 February 2015 £000	FRS 102 (as restated) 28 February 2015 £000
Turnover		26,638	-	26,638
Cost of sales		(15,704)	-	(15,704)
		10,934	-	10,934
Distribution expenses		(4,384)	-	(4,384)
Administrative expenses		(3,653)	-	(3,653)
Other operating income		41	-	41
Operating profit		2,938	-	2,938
Income from investments		25	-	25
Interest receivable and similar income		6	-	6
Interest payable and similar charges		(7)	-	(7)
Taxation		(560)	-	(560)
Profit on ordinary activities after taxation and for the financial year		2,402	-	2,402

Explanation of changes to previously reported profit and equity:

- 1 The change in creditors relates to a dividend creditor that has been reversed as a transition adjustment.

CROCKETT AND JONES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

29. First time adoption of FRS 102 (continued)

Company

		As previously stated 1 March 2014 £000	Effect of transition 1 March 2014 £000	FRS 102 (as restated) 1 March 2014 £000	As previously stated 28 February 2015 £000	Effect of transition 28 February 2015 £000	FRS 102 (as restated) 28 February 2015 £000
Note							
Fixed assets		2,611	-	2,611	5,931	-	5,931
Current assets		14,656	-	14,656	13,021	-	13,021
Creditors: amounts falling due within one year		(2,541)	-	(2,541)	(2,354)	183	(2,171)
Net current assets		12,115	-	12,115	10,667	183	10,850
Total assets less current liabilities		14,726	-	14,726	16,598	183	16,781
Creditors: amounts falling due after more than one year		(26)	-	(26)	(26)	-	(26)
Provisions for liabilities		(235)	-	(235)	(372)	-	(372)
Net assets		14,465	-	14,465	16,200	183	16,383
Capital and reserves		14,465	-	14,465	16,200	183	16,383

CROCKETT AND JONES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

29. First time adoption of FRS 102 (continued)

	Note	<i>As previously stated 28 February 2015 £000</i>	<i>Effect of transition 28 February 2015 £000</i>	FRS 102 (as restated) 28 February 2015 £000
Turnover		24,079	-	24,079
Cost of sales		(15,326)	-	(15,326)
		8,753	-	8,753
Distribution expenses		(3,839)	-	(3,839)
Administrative expenses		(2,512)	-	(2,512)
Other operating income		125	-	125
Operating profit		2,527	-	2,527
Income from investments		35	-	35
Interest receivable and similar income		20	-	20
Interest payable and similar charges		(1)	-	(1)
Taxation		(560)	-	(560)
Profit on ordinary activities after taxation and for the financial year		<u>2,021</u>	<u>-</u>	<u>2,021</u>

Explanation of changes to previously reported profit and equity:

- 1 The change in creditors relates to a dividend creditor that has been reversed as a transition adjustment.