REGISTERED NUMBER: 03011001

DE RIGO (UK) LIMITED

REPORT

AND

FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2015

DE RIGO (UK) LIMITED **Registered Number: 03011001**

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2015.

Review of business and principal activities

The company's principal activity during the year continued to be the distribution of premium optical frames, sunglasses and accessories.

Results and dividends

The loss for the year after taxation was £6,901 (2014 – profit of £24,237). The directors do not recommend a final dividend.

Auditors

The company has elected (by elective resolution in accordance with s487 of the Companies Act 2006) to dispense with the annual re-appointment of auditors and accordingly KPMG LLP remain in office.

Directors' statements as to the disclosure of information to auditors

So far as all of the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Each director has taken all the steps that are obliged to be taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Going concern

The expectations for 2016 are to increase the share of the market with dedicated promotions and through an increased effort on minor brands, whilst significantly developing the penetration in both the multiple stores and the independent sector.

The directors have considered future cash flow projections and based on these projections the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Directors

The names of the persons who were directors during the period are as follows:

Mr. M. Aracri

Mr. M. De Rigo Piter

Mr. M Dessolis

Directors' interests in shares

There are no directors' interests that require disclosure under the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)

Directors' liabilities

The company has indemnified its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision is in force as at date of approving the directors' report.

This report has been prepared in accordance with the special provisions for small companies under Section 415A of the Companies Act 2006.

Strategic Report

The directors were entitled not to prepare a strategic report, in accordance with the small companies regime.

By order of the board

Mr. M Dessolis
Director

Date: 7 JUNE 2016

Registered Office:
Building 2, Suite 6,
Marlins Meadow,
Croxley Green Business Park
Watford
WD18 8YA

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS REPORT AND THE FINANCIAL STATEMENTS

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

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

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP

58 Clarendon Road
Watford
WD17 1DE
United Kingdom

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

We have audited the financial statements of De Rigo (UK) Limited for the year ended 31 December 2015 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 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 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

EJefferis

Emily Jefferis (Senior Statutory Auditor)
for and on behalf of KPMG LLP (Statutory Auditor)
Chartered Accountants
58 Clarendon Road, Watford, WD17 1DE

Date: 1 | 07 | 2016

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2015

	NOTES	2015 £	2014 £
Turnover	2	4,416,177	3,698,561
Cost of sales		(2,846,198)	(2,185,645)
Gross profit		1,569,979	1,512,916
Administrative expenses		(1,554,586)	(1,465,606)
Operating Profit	3	15,393	47,310
Interest receivable and similar income	4	303	277
Interest payable and similar charges	5	(14,536)	(12,545)
Loss on disposal of fixed assets		-	-
Profit on ordinary activities before taxation		1,160	35,042
Tax on (profit) on ordinary activities	8	(8,061)	(10,805)
(Loss) / Profit for the year	15	(6,901)	24,237

All of the operations of the company are continuing.

The company has no recognised gains and losses other than those included above, and therefore no separate statement of Other Comprehensive Income has been presented.

Notes on pages 8 to 13 form part of these financial statements

DE RIGO (UK) LIMITED **Registered Number: 03011001**

BALANCE SHEET AT 31st DECEMBER 2015

	NOTES	2015 £	2015 £	2014 £	2014 £
Fixed assets	10		29,260		31,538
Current assets					
Stocks	11	412,714		346,261	
Debtors	12	1,055,996		868,665	
Cash at bank and in hand		458,262		191,642	
		1,926,972		1, 406,568	
Current liabilities					
Creditors: amounts falling due within one year	13	(1,891,150)		(1,366,123)	
Net current assets			35,822		40,445
Total assets less current liabilities			65,082		71,983
Capital and reserves					
Called up share capital	14		10,000		10,000
Profit & loss account	15		55,082		61,983
Shareholders' funds	15		65,082		71,983

Notes on pages 8 to 13 form part of these financial statements

These financial statements have been prepared in accordance with the special provisions for small companies under Section 415A of the Companies Act 2006 and were approved by the Board of Directors and signed on their behalf by:

Mr. M. Dessolis

Director

Date: 7 JUNE 2016

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st DECEMBER 2015

	Called up share capital £	Profit and Loss Account £	Total Equity £
Balance at 1 January 2014	10,000	37,746	47,746
Total comprehensive income for the year			
Profit	-	24,237	24,237
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	24,237	24,237
Balance at 31 December 2014	10,000	61,983	71,983

	Called up share capital £	Profit and Loss Account £	Total Equity £
Balance at 1 January 2015	10,000	61, 983	71,983
Total comprehensive income for the year			
Profit	-	(6,901)	(6,901)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(6,901)	(6,901)
Balance at 31 December 2015	10,000	55,082	65,082

Notes on pages 8 to 13 form part of these financial statements

1. **Principal accounting policies**

(a) Basis of preparation

De Rigo (UK) Limited is a limited liability company incorporated in England. The registered office is Building 2 Suite 6, Marlins Meadow, Croxley Green Business Park, Watford Wd18 8YA

The financial statements have been prepared in accordance with the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The financial statements are prepared in sterling and rounded to the nearest £.

The directors have considered future cash flow projections and based on these projections the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

(b) Revenue Recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

(c)Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

(d) Stock

Stock comprises of goods purchased for resale and are stated at the lower of original cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

(e) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows:

Fixtures and Fittings	-	10% straight line per annum
Plant and machinery	-	20% to 33% straight line per annum

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

(f) Leasing Commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

(g) Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

1. **Principal accounting policies (continued)**

(h) Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. 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 have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, except that deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. **Turnover**

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and is attributable to one continuing activity, as stated in the directors' report.

An analysis of turnover by geographical market is given below:

	2015	2014
	£	£
Sales – United Kingdom	4,197,034	3,525,371
Sales – Rest of the world	219,143	173,190
	4,416,177	3,698,561

3. **Operating Profit / (Loss)**

	2015	2014
	£	£
Is after charging:		
Auditor's remuneration – audit	17,122	16,750
Depreciation of tangible fixed assets	8,239	7,392
Hire of property and other lease expenditure	28,961	33,489

4. **Finance income**

	2015	2014
	£	£
Bank interest received	303	277

5. **Finance charges**

	2015	2014
	£	£
Intercompany interest payable	3,685	5,112
Other finance charges	10,851	7,433
	14,536	12,545

6. **Employee information**

The company subcontracts all of its human resource requirements from an affiliated company and therefore has no employees apart from the Directors as detailed in the Directors Report.

7. Emoluments of directors

The directors' have determined that their qualifying services to the company do not occupy a significant amount of their time. The directors have not received any remuneration for their qualifying services to the company for the periods ended 31st December 2015 and 31st December 2014.

8. Tax

(a) Tax on profit on ordinary activities
The tax charge is made up as follows:

	2015	2014
	£	£
Corporation tax		
- current	1,671	(3,749)
- deferred	6,390	14,554
Tax on profit on ordinary activities	8,061	10,805

(b) Factors affecting the total tax charge

The tax assessed on the profit on ordinary activities varied from the standard rate of Corporation tax in the UK due to the following factors:

	2015	2014
	£	£
Profit on ordinary activities before taxation	1,160	35,042
Profit on ordinary activities at standard rate of 20.25% (2014 21.5%)	235	7,534
Effects of:		
Depreciation in arrears of capital allowances	(245)	(707)
Expenses not deductible for tax purposes	7,496	4,623
Adjustment to tax charge in respect of previous periods	(-)	(3,749)
Other short term timing differences	3,588	818
(Relieved) tax losses	(9,403)	(12,268)
Deferred tax	6,390	14,554
Total tax charge for the year	8,061	10,805

(c) Deferred Tax	2015	2014
	£	£
Origination / reversal of timing differences	(2,955)	(762)
Other timing differences	57	3,974
Tax losses utilised / (carried forward)	9,288	11,342
	6,390	14,554

Roll forward of deferred tax:	£
Balance brought forward at 1st January 2015	(10,025)
Charge	6,390
Balance carried forward at 31st December 2015	(3,635)

8. Tax (continued)

Factors affecting the future tax charge

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The deferred tax asset at 31 December 2015 has been calculated based on these rates. An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge the deferred tax asset accordingly.

9. Operating Lease

Non-cancellable operating lease rentals are payable as follows:

	2015		2014	
	Land & Buildings	Other	Land & Buildings	Other
	£	£	£	£
Within one year	31.845	-	31,845	-
In two to five years	27,865	-	59,710	-
	59,710	-	91,555	-

10. Tangible fixed assets

	Fixtures & Fittings £	Plant & Machinery £	Total £
Cost			
At 31st December 2014	30,724	73,915	104,639
Additions	-	5,961	5,961
Disposal	(-)	(-)	(-)
At 31st December 2015	30,724	79,876	110,600
Depreciation			
At 31st December 2014	8,106	64,995	73,101
Charge for the period	2,645	5,594	8,239
Disposal	(-)	(-)	(-)
At 31st December 2015	10,751	70,589	81,340
Net book value			
At 31st December 2015	19,973	9,287	29,260
At 31st December 2014	22,618	8,920	31,538

11. Stocks

	2015 £	2014 £
Finished goods and goods for resale	412,714	346,261

The difference between the purchase price of stock and its replacement cost is not material.

12. Debtors: amounts falling due within one year

	2015 £	2014 £
Trade debtors	1,025,048	846,583
Prepayments and accrued income	27,313	12,057
Deferred tax	3,635	10,025
	1,055,996	868,665

13. **Creditors: amounts falling due within one year**

	2015 £	2014 £
Trade creditors	125,270	81,328
Amounts owed to other group companies	1,575,044	1, 154,125
Other taxation and social security	102,151	68,685
Accruals and deferred income	88,685	61,985
	1,891,150	1, 366,123

14. **Share Capital**

Authorised, allotted, called up and fully paid	2015 £	2014 £
Ordinary shares of £1 each	10,000	10,000

15. **Profit and Loss Account**

	£
At 31st December 2014	61,983
Retained loss for the period	(6,901)
Balance at 31st December 2015	55,082

16. **Exemption from cash flow statements**

The Company is exempt from the requirements of FRS 102 to present a cash flow statement as the company is wholly owned with the ultimate parent company presenting publicly available consolidated accounts that include the Company.

17. **Related party transactions**

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with other wholly owned members of the De Rigo S.p.A. Group as consolidated financial statements in which De Rigo (UK) Limited is included are available from the address below.

18. **Ultimate parent company**

The company is a wholly owned subsidiary of De Rigo Vision S.p.A.

The ultimate controlling party and holding company is De Rigo S.p.A., a company incorporated in Italy. The smallest and largest group in which the company is included within the group financial statements is that of De Rigo S.p.A., copies of which can be obtained from Zona Industriale Villanova, 12, 32013 Longarone (BL), Italy.