Company Registration No. 03419040

LVMH Services Limited

Annual Report and Financial Statements

Year ended 31 December 2017

LVMH Services Limited

Annual Report and Financial Statements 2017

Contents

LVMH Services Limited

Annual Report and financial statements

Officers and professional advisers

Directors
B Arnault
O Perouse
Lord Powell of Bayswater KCMG
I J Hardie (resigned on 1 March 2017)
P Jouvin (appointed on 1 March 2017)

Company Secretary
Castlegate Secretaries Limited
Mowbray House
Castle Meadow Road
Nottingham
Nottinghamshire
NG2 1BJ

Registered Office
LVMH House
15 St George Street
London
W1S 1FH

Bankers
Barclays Bank Plc
1 Churchill Place
London
E14 5HP

Solicitors
Browne Jacobson LLP
6th Floor
6 Bevis Marks
London
EC3V 7BA

Auditor
Constantin
25 Hosier Lane
London
EC1A 9LQ

LVMH Services Limited

Strategic report

For the year ended 31 December 2017

The directors, in preparing this Strategic Report, have complied with s414 C of the Companies Act 2006.

Results

The loss for the year, after taxation, amounted to £888,109 (2016: loss of £1,227,218).

Review of the business

	2017	2016	Change
	£	£	%
Turnover	17,787,660	13,344,862	33%
Loss before Tax	(823,208)	(1,188,812)	-31%
Loss after Tax	(888,109)	(1,227,218)	-28%
Shareholders' funds	28,091,416	28,979,525	-3%
Average number of employees	17	6	183%

Turnover increased by 33% mostly due to the supply of services for LVMH group companies.

Key Performance Indicators ("KPIs")

Given the simple nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

From the perspective of the company, the principal risk and uncertainties are integrated with the group and are not managed separately. Accordingly, the principal risks and uncertainties of LVMH Moët Hennessy-Louis Vuitton SE, which include those of the company, are discussed in the group's annual report which is available publicly.

Strategic report (continued)

For the year ended 31 December 2017

Future developments

The company will continue its activities, in particular the development and hosting of high quality training sessions for the group's executive management.

Events after balance sheet date

There were no subsequent events since the balance sheet date.

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

O Perouse
Director
28 September 2018

LVMH Services Limited

Directors' report

The directors present their report on the affairs of the company together with the financial statements and auditor's report for the year ended 31 December 2017.

The company has chosen, in accordance with section 414C(11) of Companies Act 2006, to include such matters of strategic importance to the company in the Strategic Report which otherwise would be required to be disclosed in the Directors' Report including future developments, events after the balance sheet date, principal risks and uncertainties, the details of which can be found on page 2-3 and form part of this report by cross-reference.

Principal activities

The principal activity of the company during the year was providing services to other companies within the LVMH Moët Hennessy-Louis Vuitton SE group ("the group").

Going concern

Although the company made a loss for the year it was in a net asset position and net current asset position at the year-end. The financial statements have been prepared on a going concern basis because the parent undertaking, LVMH Moët Hennessy-Louis Vuitton SE (Paris, France), has provided a written commitment to make adequate funds available to enable the company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue its operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis in preparing the 2017 financial statements.

Future developments and events since the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic report on page 2 and form part of this report by cross-reference.

Directors

The directors who served the company throughout the year and to the date of this report were as follows:
B Arnault
O Perouse
Lord Powell of Bayswater KCMG
I J Hardie (resigned on 1 March 2017)
P Jouvin (appointed on 1 March 2017)

Dividends

The directors do not recommend the payment of any dividends (2016: £nil).

LVMH Services Limited

Directors' report (Continued)

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.

Constantin expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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

O Perousé
Director
28 September 2018

LVMH Services Limited

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), including Financial Reporting 101 'Reduced Disclosure Framework'. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

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 to 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.

Independent auditor's report to the members of LVMH Services Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of LVMH Services Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at December 31st, 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15, which include a statement of accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Independent auditor's report to the members of LVMH Services Limited

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in 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.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.

Alex Legon FCA (Senior Statutory Auditor)
For and on behalf of Constantin
Chartered Accountants and Statutory Auditors
25 Hosier Lane
London EC1A 9LQ

Date..........28 SEP 2018

LVMH Services Limited

Profit and Loss account
Year ended 31 December 2017

	Notes	2017 £	2016 £
Turnover	2	17,787,660	13,344,862
Cost of sales		(16,922,662)	(13,077,296)
Gross profit		**864,998**	**267,566**
Administrative expenses		(1,717,004)	(1,600,380)
Operating loss	3	**(852,006)**	**(1,332,814)**
Interest receivable and similar income	6	43,788	179,118
Interest payable and similar charges	6	(14,990)	(35,116)
Loss on ordinary activities before tax		**(823,208)**	**(1,188,812)**
Tax on loss on ordinary activities	7	(64,901)	(38,406)
Loss for the financial year		**(888,109)**	**(1,227,218)**
Attributable to:			
Equity holders of the company		(888,109)	(1,227,218)

There are no recognised gains or losses other than the loss of £888,109 attributable to the shareholders for the year ended 31 December 2017 (2016: loss of £1,227,218). Accordingly no separate Statement of comprehensive income is presented.

The notes form an integral part of the financial statements.

All activities are derived from continuing operations.

LVMH Services Limited

Balance Sheet
31 December 2017

	Notes	2017 £	2016 £
Fixed assets			
Intangible assets	8	1,107,544	1,832,984
Tangible assets	9	2,468,857	2,759,000
		3,576,401	4,591,984
Current assets			
Debtors	10	27,711,569	38,754,316
Cash at bank and in hand		-	-
		27,711,569	38,754,316
Creditors : amounts falling due within one year	11	(3,196,554)	(14,366,775)
Net current assets		24,515,015	24,387,541
Total assets less current liabilities and net assets		28,091,416	28,979,525
Capital and reserves			
Called up share capital	13	34,414,870	34,414,870
Profit and loss account		(6,323,454)	(5,435,345)
		28,091,416	28,979,525

The notes form an integral part of the financial statements.

The financial statements of LVMH Services Limited, registered number 03419040 were approved by the Board of Directors on 28 September 2018.

Signed on behalf of the Board of Directors

O Perouse
Director

LVMH Services Limited

Statement of changes in equity
31 December 2017

	Number of shares	Share capital	Profit and loss Account	Total
		£	£	£
As of 1 January 2016	34,414,870	34,414,870	(4,208,127)	30,206,743
Loss for the year		-	(1,227,218)	(1,227,218)
As of 31 December 2016	34,414,870	34,414,870	(5,435,345)	28,979,525
Loss for the year		-	(888,109)	(888,109)
As of 31 December 2017	34,414,870	34,414,870	(6,323,454)	28,091,416

Notes to the financial statements
Year ended 31 December 2017

1. Significant accounting policies

Basis of accounting

These financial statements were prepared in accordance with FRS 101 "Reduced Disclosure Framework".
As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of a cash flow statement, standards not yet effective and related party transactions. Where relevant, equivalent disclosures have been given in the group accounts of LVMH Moët Hennessy-Louis Vuitton SE (Paris, France). The group accounts of LVMH Moët Hennessy-Louis Vuitton SE (Paris, France) are available to the public and can be obtained as set out in note 15.
The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties, financial instruments and investment property that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.
In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

Going concern

Although the company made a loss for the year it was in a net asset position and net current asset position at the year-end. The financial statements have been prepared on a going concern basis because the parent undertaking, LVMH Moët Hennessy-Louis Vuitton SE (Paris, France), has provided a written commitment to make adequate funds available to enable the company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements..
Accordingly, the directors have a reasonable expectation that the company has adequate resources to continue its operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis in preparing the 2017 financial statements.

2. **Significant accounting policies (continued)**

Intangible & tangible fixed assets

Intangible fixed assets are stated at acquisition cost (purchase price and incidental costs, excluding acquisition expenses).
Intangible assets are composed of leasehold rights, amortized over the duration of the underlying leases and of IT software amortized over 3 years.
Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Leasehold improvements	-	10% per annum
Office equipment	-	5% to 10% per annum
Computer equipment	-	33.3% per annum
Tangible assets in progress	-	not depreciated

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

Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

Current taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been unacted or substantively unacted by the balance sheet date.

Deferred taxation

Deferred tax 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 a right to pay less, with the following exception: 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.

Foreign currencies

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the company operates (its functional currency).

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.

2. *Significant accounting policies (continued)*

Leases
Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the company's accounting policies, which are described in above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies
The directors believe that there are no critical judgements that have been made in the process of applying the company's accounting policies and that have a significant effect on the amounts recognised in financial statements.

Critical accounting judgements and key sources of estimation uncertainty
Key sources of estimation uncertainty

The directors believe that there are no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the financial statements (continued)
Year ended 31 December 2017

2. **Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, which is at the point of the service being provided. All revenue arose from transactions with LVMH group companies.

Turnover, which is stated net of value added tax, represents amounts received and receivable from the company's continuing principal activities.

	2017	2016
	£	£
Training program	2,632,156	2,278,727
Supply of Services	13,464,335	9,708,026
Rental Income	291,169	258,109
Other Group Income	1,400,000	1,100,000
Turnover	**17,787,660**	**13,344,862**

Turnover by geographic region breaks down as follows:

	2017	2016
	£	£
United Kingdom	407,961	378,126
Europe (excluding United Kingdom)	16,927,500	12,572,193
United States	204,242	189,475
Asia	211,157	196,268
Other countries	36,800	8,800
Turnover	**17,787,660**	**13,344,862**

3. Operating loss

This is stated after charging :

	2017	2016
	£	£
Fees payable to the company's auditors for the audit of the Company's annual accounts	14,850	13,790
Amortisation of intangible assets	739,987	1,176,390
Depreciation of tangible assets	429,027	396,080
Loss on tangible assets disposed	522,356	-
Operating lease expense	3,251,258	3,093,898
Foreign exchange loss	31,159	23,446

4. Staff costs

	2017	2016
	£	£
Wages and salaries	6,664,436	4,823,565
Pensions	378,591	709,588
Social security costs	1,690,477	1,165,091
	8,733,504	6,698,245

	2017	2016
	No.	No.
The monthly average number of employees during the year was as follows:	17	6

There were no prepaid of accrued pension amounts at year end (2016: £nil).

5. Directors' emoluments

	2017	2016
	£	£
Emoluments	205,000	205,000

The amount paid to the highest director was £205,000 (2016: £205,000).

LVMH Services Limited

Notes to the financial statements (continued)
Year ended 31 December 2017

6. Interest payable and similar charges, interest receivable and similar income

	2017	2016
	£	£
Interest on current account	(1,200)	(20,714)
Interest on medium term loan	(13,790)	(14,403)
Interest payable to LVMH Group affiliate	(14,990)	(35,116)

	2017	2016
	£	£
Interest on current account	21,125	5,114
Interest on medium term loan	22,490	174,005
Interest receivable from LVMH Group affiliate	43,615	179,118
Other interest receivable	173	-
Interest receivable	43,788	179,118

7. Taxation

	2017	2016
	£	£
Current tax:		
Current income tax charge	64,469	38,406
Adjustment of current tax related to previous years	432	-
	64,901	38,406
Deferred tax:		
Origination and reversal of temporary differences	-	-
Total current taxe charge (note 7(b))	64,901	38,406

(a) Factors affecting current tax
The tax assessed on the loss on ordinary activities for the year differs from the effective standard rate of corporation tax in the UK of 19.25% for the 2017 fiscal year (2016: 20%). The differences are reconciled below:

7. Taxation (continued)

	2017	2016
	£	£
Profit on ordinary activities before taxation	(823,208)	(1,188,812)
Profit multiplied by effective standard rate of corporation tax in the UK of 19.25% (2016: 20%)	(158,439)	(237,762)
Impact of:		
Expenses not deductible for tax purposes	12,883	4,551
Deferred tax movement not recognised	34,905	3,830
Depreciation on non-qualifying assets	175,120	267,787
Adjustments in respect to income tax of prior years	432	-
Total income tax credit/(charge) (Note 7(a))	64,901	38,406

(b) Deferred tax
There is an estimated deferred tax asset of £299,597 (2016: £268,749) which relates mainly to trading losses and short-term timing differences. No deferred tax asset has been recognised due to the uncertainty in respect of future taxable profits required for the benefit to accrue.

(c) Budget announcements
The standard rate of corporation tax in the United Kingdom for the year is 19.25% (2016: 20%). The Finance Act 2016, which was substantively enacted on 15th September 2016, will reduce the main rate of corporation tax to 17% with effect from 1 April 2020. In line with this, the rate applying to unrecognised deferred tax assets and liabilities has been reduced to 17%.

8. Intangible assets

	Lease premium £	Software £	Assets in progress £	Total £
Cost				
At 1 January 2017	3,000,000	9,375	-	3,009,375
Acquisitions	-	1,543	13,004	14,547
At 31 December 2017	3,000,000	10,918	13,004	3,023,922
Depreciation				
At 1 January 2017	1,176,194	197	-	1,176,391
Provided during the year	736,382	3 605	-	739,987
At 31 December 2017	1,912,576	3 802	-	1,916,378
Net book value				
At 31 December 2017	1,087,424	7,116	13,004	1,107,544

9. Tangible assets

	Leasehold improvements £	Office equipment £	Computer equipment £	Tangible assets in progress £	Total £
Cost					
At 1 January 2017	6,710,338	510,110	460,981	49,007	7,730,436
Acquisitions	138,204	11,950	19,761	491,325	661,240
Disposals	(4,382,305)	(6,259)	(155,741)		(4,544,305)
At 31 December 2017	2,466,237	515,801	325,001	540,332	3,847,371
Depreciation					
At 1 January 2017	4,385,635	212,857	372,944	-	4,971,436
Provided during the year	346,983	40,696	41,348	-	429,027
Disposals	(3,864,468)	(5,913)	(151,569)	-	(4,021,949)
At 31 December 2017	868,150	247,640	262,724	-	1,378,514
Net book value					
At 31 December 2017	1,598,087	268,161	62,277	540,332	2,468,857
At 31 December 2016	2,324,703	297,253	88,037	49 007	2,759,000

10. Debtors: amounts falling due within one year:

	2017	2016
	£	£
Amounts owed by Group undertakings	26,396,017	37,206,324
Other debtors	623,128	764,262
Prepayments and accrued income	692,424	783,730
	27,711,569	38,754,316

Amounts owed by group undertakings include a £9,040,000 current account with the company that centralizes the LVMH group's cash.

11. Creditors: amounts falling due within one year

	2017	2016
	£	£
Amounts owed to Group undertakings	326,062	12,692,749
Corporation Tax	65,798	20,082
Other taxation	334,114	30,677
Accruals and other creditors	2,470,580	1,623,267
	3,196,554	14,366,775

12. Related party transactions

The voting rights of the company are entirely controlled by the ultimate parent undertaking, and the company has therefore taken advantage of the exemptions available in FRS 101.8 (k) 'Related Party Disclosures' and has not disclosed transactions with entities which are part of the group in these financial statements.

13. Called up share capital

	2017	2016
	£	£
Authorised		
(2017 : 34,414,870) ordinary shares of £1 each	34,414,870	34,414,870
Allotted, called up and fully paid		
(2017 : 34,414,870) ordinary shares of £1 each	34,414,870	34,414,870

Notes to the financial statements (continued)
Year ended 31 December 2017

14. Operating lease commitments

At 31 December 2017, full commitments under non-cancellable operating leases, are as set out below:

	2017	2016
	£	£
Operating leases commitments:		
Land and buildings:		
- within one year	2,055,159	2,031,161
- within two to five years	6,551,695	4,756,686
- in over five years	1,448,879	1,863,375
	10,055,733	8,651,222

The company leases its retail properties on various terms, including fixed rental subject to periodic rent review or annual increment, and variable rental which is contingent on turnover.

15. Ultimate parent undertaking

The ultimate parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up and of which the company is a member, and the company's ultimate controlling party, is LVMH Moët Hennessy-Louis Vuitton SE, incorporated in Paris (France). The group financial statements are available to the public and may be obtained at the parent company head office, 22 Avenue Montaigne, 75008 Paris, France.