Registered number: 03484692

RICHEMONT UK LIMITED

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

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COMPANY INFORMATION

Directors	Rupert John Brooks Sheila Mary Henderson Olivier Percetti
Company secretary	Rupert Brooks
Registered number	03484692
Registered office	15 Hill Street London W1J 5QT
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Introduction

The Directors present their Strategic Report for the year ended 31 March 2023.

Principal activities

Richemont UK Limited (the "Company") is a private limited company incorporated in the United Kingdom under the Companies Act 2006.

The principal activities of the Company are the sale of jewellery, watches, leather goods, clothing, writing instruments and other luxury goods through its retail, online retail and wholesale distribution channels and provides after-sales service for its products as well as acting as agents for the distribution of watches to an authorised dealer distribution network in the United Kingdom and Ireland.

Business review and Future Outlook

During the financial year, the Company made a profit for the year ended 31 March 2023 of £9,211,000 (2022 profit: £8,868,000). Revenues increased from £164,215,000 in FY22 to £232,400,000 in FY23. Following an impairment review, the value of Leasehold improvements has been impaired by £634,000 (2022: £36,000) and Right of Use assets by £nil (2022: £298,000).

The Statement of Comprehensive Income is set out on page 10. The net assets as at the 31st March 2023 were £42,936,000 (2022: £33,638,000). The Directors consider the position of the Company to be satisfactory at the year-end.

The future results are in part dependent on the strategy of the Richemont group (Compagnie Financière Richemont SA) as a whole. Details can be found in the Business Review section of the Richemont Group Annual Report and Accounts.

Richemont UK Limited will continue to follow its strategy in elevating the Maisons as leading luxury destinations. Richemont UK Limited will continue to distribute its products, focusing its expansion in the United Kingdom and Ireland. Stores are continuously being revamped to express the brand's vision. Going forward the strategy will be to focus on where sales are growing and there will be a continued concentration on e-commerce.

Principal risks and uncertainties

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

The key business risks and uncertainties affecting the Company are considered to relate to competition from both national and independent retailers, employee retention, and product availability. However, the directors of the Richemont Group manage the Group's risk at a brand level rather than at an individual business unit level. Further discussion of these risks and uncertainties, in the context of the Richemont Group as a whole, is provided within the Richemont Group Annual Report and Accounts.

The directors do not consider that the implementation of Brexit has impacted the going concern of the entity and measures have been taken to comply with any new customs regulations. The directors continue to monitor regulations as they are introduced.

The current conflict between Russia and Ukraine has not affected operations directly. Both countries have had no impact on the Group's sourcing of materials. Locally no sales are permitted to sanctioned Russian individuals which will have an immaterial effect on sales.

Key performance indicators

The Directors of the Richemont Group manage the Group's operations on a divisional basis and monitor the performance of the Company at a consolidated brand level. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary nor appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Richemont brands, which includes the Company, is discussed within the Business Review section of the Richemont Group Annual Report and Accounts.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement by the directors in performance of their statutory duties in accordance with S172(1) Companies Act 2006

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

'A director of a company must act in the way they consider in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:
- the likely consequences of any decisions in the long-term;
- the interests of the company's employees;
- the need to foster the company's business relationship with suppliers, customers and others;
- the impact of the company's operations on the community and environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between shareholders of the Company.'

As part of their induction, Directors are briefed on their duties and they can access professional advice on these, either from the Company Secretary or, if they judge it necessary, from an independent adviser. It is important to recognise that in an organisation such as ours, the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Company.

The following paragraphs summarise how the Directors' fulfil their duties:

Risk Management
Consideration of risks is an integral part of how Richemont UK Limited operates on a daily basis and is part of any transaction appraisal.

Our people
The Company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole. The health, safety and well-being of our employees is one of our primary considerations in the way we do business. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We also ensure we share common values that inform and guide our behaviour with published guidelines, therefore achieving our goals in the right way.

Business Relationships
Our strategy prioritises organic growth, it is driven by ensuring the best services to existing loyal clients and bringing new customers into the business. To do this, we need to develop and maintain strong customer relationships. We value our suppliers and build long term partnerships with our key suppliers.

Community and Environment
The Company's approach is to use our position of strength to create positive change for the people and communities with which we interact. We want to leverage our expertise and enable colleagues to support the communities around us.
We actively encourage environmental initiatives and measure our impact on the environment

Shareholders
The Board is openly engaging with our group shareholders, as we recognise the importance of a continuing effective dialogue. It is important to us that shareholders understand our strategy and objectives, so these must be explained clearly, feedback heard and any issues or questions raised properly considered.

This report was approved by the board on 2nd October 2023 and signed on its behalf.

Olivier Percetti
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The directors submit their report and the audited financial statements of Richemont UK Limited ("the Company) for the year ended 31 March 2023.

Results and dividends

The profit for the financial year amounted to £9,211,000 (2022 profit: £8,868,000). No dividends were declared nor recommended in respect of the year ended 31 March 2023 (2022: £nil).

Directors

The directors of the Company during the year and up to the date of signing the financial statements were:

Rupert John Brooks
Sheila Mary Henderson
Olivier Percetti

During the year, no director had a material interest in any contract that was significant in relation to the Company's business. Also, in the year, qualifying third party indemnity provisions were in force for the benefit of the three (2022: three) directors of the Company. At the date of approval of the financial statements qualifying third party indemnity were in force for the benefit of three directors of the Company.

Environmental matters

The Company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations.

Donations

Contributions made by the Company during the year for a variety of charitable purposes amounted to £55,000 (2022: £66,000). No contributions for political purposes were made during the year (2022: £nil).

Financial Risk Management

The Company's policy on financial risk management is disclosed in note 4.

Future Developments

The development and future outlook are discussed in the Strategic Report.

Engagement with employees

The Company is an equal opportunity employer and no job applicant or employee receives less favourable treatment on the grounds of sex, marital status, race, colour or creed. Employees are kept as fully informed as possible on the Company's performance and direction and there are established channels for consultation and communication at a corporate and divisional level.

Employment of disabled persons in the United Kingdom

It is the policy of the Company to give full and fair consideration to the employment of disabled persons, in jobs suited to their individual circumstances and, as appropriate, to consider them for recruitment opportunities, career development and training. Special consideration is given to retraining those who become disabled whilst in the Company's employment.

Engagement with suppliers, customers and others

The development of this engagement is discussed in the Strategic Report.

Streamlined energy and carbon reporting (SECR)

The following figures make up the energy and carbon baseline for the Company and are reported on a calendar year (CY) basis.
Scope 1 consumption and emissions relate to direct combustion of gas and fuels utilised for transportation operations.
Scope 2 consumption and emissions relate to indirect emissions relating to the consumption of electricity in day to day business operations. In most cases actual metered consumption has been used.

The total consumption (kWh) figures for energy supplied reportable for the Company are as follows:

Utility and Scope	**CY 2022**	CY 2021
Grid-supplied electricity	**2,414,623**	1,879,847

The total emission (tCO2e) figures for energy supplies reportable are as follows:

Utility and Scope	**CY 2022**	CY 2021
Transportation (Scope 1)	**3**	2
Grid-supplied electricity (Scope 2)	**102**	202

Intensity Ratio

	CY 2022 intensity ratio	CY 2021 intensity ratio
CO2e/ £m turnover	0.45	1.25

Energy Efficiency Improvements & Carbon reduction initiatives for the financial year

The Company is making efforts to improve their operational energy efficiencies and reduce carbon emissions. The Company has switched to "green tariff" energy supply where possible.

Reporting Methodology

Consumption and CO2e emission data have been calculated in line with the 2019 UK Government environmental reporting guidance by reference to the Emission Factor Database 2019 Version 1.01.

Energy Efficiency Improvements

The Company is committed to improving their operational energy efficiency and measures have been planned for the coming years, All sites will be supplied with renewable electricity and the facilities manager will be responsible for developing and implementing energy efficiency measures and improve efficiency.

Going concern

On the basis of the ongoing review of the activities, Compagnie Financière Richemont SA has provided a letter of support, confirming that they will provide ongoing financial support to the Company until at least twelve months from the date of approval of the financial statements, to enable the Company to continue its operating activities. The Directors also have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For thisreason, they continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Post balance sheet events

On 1 April 2023 Richemont UK Limited acquired the trading, assets and liabilities of Maroquinerie Delvaux UK Limited, a distributor of leather goods for a Richemont group brand. The consideration was £2,184,000.

There are no other significant events after the balance sheet date.

Statement of directors' responsibilities in respect of the financial statements.

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors 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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

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

Independent Auditors

In the absence of a notice proposing that their appointment be terminated, the Independent auditors, PricewaterhouseCoopers LLP, will be deemed to be reappointed for the next financial year.

This report was approved by the board on 2nd October 2023 and signed on its behalf.

Olivier Percetti

Director

Independent auditors' report to the members of Richemont UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, Richemont UK Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 March 2023; the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Independent auditors' report to the members of Richemont UK Limited (Continued)

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the potential posting of inappropriate journal entries to manipulate financial results. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance, including consideration of any known or suspected instances of non-compliance with laws and regulations and fraud.
- Performing procedures over any unusual journal entries.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

Independent auditors' report to the members of Richemont UK Limited (Continued)

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Nicola Adlington (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
2nd October 2023

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £000	2022 £000
Revenue	5	**232,400**	164,215
Cost of sales		**(129,088)**	(94,244)
Gross profit		**103,312**	69,971
Selling and distribution costs		**(95,623)**	(72,402)
Administrative expenses		**(5,926)**	(5,083)
Other operating income	6	**12,078**	20,349
Operating profit	7	**13,841**	12,835
Finance income	10	**76**	38
Finance costs	11	**(2,279)**	(2,284)
Profit before tax		**11,638**	10,589
Tax on profit	12	**(2,427)**	(1,721)
Profit for the financial year		**9,211**	8,868
Other comprehensive income/(expense)for the year		-	-
Total comprehensive profit for the year		**9,211**	8,868

The notes on pages 14 to 35 form part of these financial statements.

All operations are continuing.

BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 £000	2022 £000
Non-current assets			
Intangible assets	13	**4,306**	5,274
Property, plant and equipment	14	**90,150**	104,469
Other non-current assets		**1,257**	1,023
		95,713	110,766
Current assets			
Deferred taxation	15	**7,534**	6,831
Inventories	16	**42,602**	39,212
Trade and other receivables	17	**101,681**	67,907
Cash and cash equivalents	18	**229**	237
		152,046	114,187
Current liabilities			
Trade and other payables	19	**(90,127)**	(57,122)
Provisions for liabilities	22	**(369)**	(594)
Lease liabilities	20	**(25,177)**	(25,208)
Net current assets		**36,373**	31,263
Total assets less current liabilities		**132,086**	142,029
Non-current liabilities			
Provisions for liabilities	22	**(72)**	(104)
Other non-current liabilities	21	**-**	(279)
Lease liabilities	20	**(89,078)**	(108,008)
Total non-current liabilities		**(89,150)**	(108,391)
Net assets		**42,936**	33,638
Capital and reserves			
Called up share capital	23	**15,776**	15,776
Share option reserve		**820**	733
Retained earnings		**26,340**	17,129
Total Equity		**42,936**	33,638

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The financial statements on pages 10 to 35 were approved by the board of directors on 2nd October 2023 and were signed on its behalf on:

Olivier Percetti
Director

The notes on pages 14 to 35 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital	Share Option reserve	Retained Earnings	Total equity
	£000	£000	£000	£000
At 1 April 2021	**15,776**	**660**	**8,261**	**24,697**
Profit for the financial year	-	-	**8,868**	**8,868**
Credits relating to equity settled share-based payments	-	**73**	-	**73**
At 31 March 2022	**15,776**	**733**	**17,129**	**33,638**
Profit for the financial year	-	-	**9,211**	**9,211**
Credits relating to equity settled share-based payments	-	**87**	-	**87**
At 31 March 2023	**15,776**	**820**	**26,340**	**42,936**

The notes on pages 14 to 35 form part of these financial statements.

1. General information

These financial statements are the financial statements of Richemont UK Limited, a private company limited by shares, and registered and domiciled in England and Wales, United Kingdom. The address of the registered office is 15 Hill Street, London, W1J 5QT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council and with those parts of the Companies Act 2006 applicable to Companies reporting under FRS 101.

Where relevant, equivalent disclosures have been given in the group financial statements of Compagnie Financière Richemont SA. The group financial statements of Compagnie Financière Richemont SA are available to the public and can be obtained as set out in note 31.

The principal accounting policies adopted in preparation of these financial statements are set out below. These policies have been consistently applied for all years presented unless otherwise stated.

These financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with United Kingdom Generally Accepted Accounting Practice, including FRS 101, requires the use of certain critical accounting estimates. The areas involving a higher degree of judgement and significant estimates are disclosed in note 3.

The financial statements are prepared on a going concern basis.

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS16,'Property, plant and equipment'; and
  - paragraph 118(e) of IAS 38,'Intangible assets'
- the requirements of the following paragraphs of IAS1,'Presentation of financial statements':
  - 10(d), 16,38A, 38B-D, 111 and 134-136
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2. Accounting policies (continued)

2.3 Impact of new international reporting standards, amendments and interpretations

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2023. There is no material impact from the adoption of these standards:

- Insurance Contracts - Amended Standard IFRS 17
- IFRS 17 Insurance Contracts - Amendments IFRS 3, IAS 36, IFRS 9, IAS 1, IAS 38, IAS 32, IFRS 17 & IFRS 4
- Initial Application of Comparative Information - Amendments to IFRS 9 & IFRS 17
- Classification of Liabilities as Current or Non-current (Deferral of Effective Date) - Amendments to IAS 1
- Definition of Accounting Estimates - Amendments to IAS 8
- Disclosure of Accounting Policies - Amendments to IAS 1
- International Tax Reform (Pillar Two Model Rules) - Amendments to IAS 12
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IFRS 1 & IAS 12
- Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback - Amendments to IFRS 16
- Supplier Finance Arrangements - Amendments to IAS 7 & IFRS 7

2.4 Revenue recognition

Revenue is recognised when the customer obtains control of the goods. For retail sales, which take place in the Company's network of internal boutiques, control generally passes when the customer takes physical possession of goods, at which time the Company has a right to receive payment for the asset and it is implicit that the customer has accepted it. In the case of online retail sales made directly to the end customer, sales are recorded when the goods are delivered to the customer, as the Company remains in control of, and is subject to the related risks of, the delivery process. Wholesale sales are made to distributors, wholesalers or external franchisees. For these sales, revenue is recognised when the wholesaler takes delivery of the shipment, in most cases after customs formalities have been cleared in the destination country. At this point, the customer is able to control the future use of the product, in terms of where and how it will be sold, and assumes the risk of obsolescence and loss. Revenue relating to after-sales services is recognised when the service has been completed. The commissions receivable on sales procured as agents are recognised as other operating income in the same period that those sales are recognised by the fellow Richemont group companies.

Revenue is measured net of value-added tax, duties, other sales taxes, rebates and trade discounts. Goods sold to wholesale customers are often sold with volume discounts based on total sales over a twelve-month period or other similar criteria. Revenue from such contracts is recorded net of the estimated discount, based on the accumulated experience of the Company, using the expected value method, and recognised up to an amount beyond which a significant reversal is not expected to occur. The Company does not have any contracts where the period between recognition of revenue and payment by the customer exceeds one year. As a consequence, the Company does not adjust the transaction price for the time value of money.

Where there is a practice of agreement to customer returns, or where we are obliged by local legal requirements, accumulated experience is used to estimate and provide for such returns at the time of sale.

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Sterling, which is the Company's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using spot exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

2.6 Leases

A right of use asset and corresponding lease liability is recognised with respect to all lease arrangements where the Company is the lessee, except for short-term leases (where the lease term is 12 months or less).

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted by the incremental borrowing rate, which is based on the rate at which the Group would be able to borrow funds in the same jurisdiction over the same term as the lease agreement. The lease liability is subsequently measured using the effective interest rate method.

The right of use asset is based on the initial measurement of the lease liability, adjusted for any payments made at or before the commencement date and for initial direct costs. It is subsequently measured at cost less accumulated depreciation and impairment charges. Depreciation is charged on a straight-line basis over the lease term.

The lease term used to determine the lease liability and the useful life of the right of use asset is based on the lease agreement, excluding renewal options unless these are contractual, the specific terms of the additional rental period are included in the initial lease agreement and the Company has a reasonable expectation of exercising the option. Termination options are ignored unless the Company already has the intention to exercise the option at the commencement date.

2.7 Other operating income

Other operating income represents commission received from fellow Richemont Group companies for the sales procured as agents as well as recharged costs for the provision of services to fellow Richemont Group companies.

2.8 Finance income

Finance income includes net foreign exchange gains and interest income. Interest income is recognised in profit or loss using the effective interest method

2.9 Finance costs

Finance costs include net foreign exchange losses, lease interest costs and interest costs. Lease liability interest costs, are charged to profit or loss 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. Accounting policies (continued)

2.10 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss 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 Company in independently administered funds.

2.11 Share-based payments

The Company's ultimate parent company, Compagnie Financière Richemont SA, operates an equity-settled share-based compensation plan based on options and restricted shares granted in respect of Richemont "A" shares. The fair value of the employee services received in exchange for the grant of options or restricted shares is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. At each reporting date, the Richemont Group revises its estimate of the number of options or shares that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the Statement of Comprehensive Income over the remaining vesting period and a corresponding adjustment to equity.

2.12 Current and deferred taxation

Provision is made in each financial year for all taxation expected to be payable in respect of profits earned during the year.

Deferred income tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the year end and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2. Accounting policies (continued)

2.13 Intangible assets

Software

Costs that are directly associated with developing, implementing or improving identifiable software products having an expected benefit beyond one year are recognised as intangible assets and amortised using the straight line method over their useful lives, not exceeding a period of five years. Costs associated with evaluating or maintaining computer software are expensed as incurred.

Leasehold rights and premiums

Premiums paid to parties other than the lessor at the inception of operating leases for leasehold buildings are capitalised and amortised over their expected useful lives or, if shorter, the lease period.

2.14 Property, plant and equipment

All property, plant and equipment are shown at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repair and maintenance costs are charged to the Statement of Comprehensive Income during the financial year 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.

The estimated useful lives range as follows:

Leasehold improvements	- The shorter of 10 years and the life of the lease
Point of sale fixtures	- 3 years
Office equipment	- 10 years
Right of use assets	- Over the remaining term of the lease after asset brought into full operational use

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 in profit or loss.

Assets under construction relate to boutique fittings under installation, which are depreciated from when installation is completed.

2. Accounting policies (continued)

2.15 Impairment of assets

All property, plant and equipment, intangible assets and financial assets are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be fully recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs to sell, and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

2.16 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost is determined using either a weighted average cost, specific identification or the 'first-in, first-out' (FIFO) method depending on the nature of the inventory. A provision for damaged or slow-moving stock is considered and recorded by the management, taking into consideration various factors including historical experience, estimated future demand, discontinuations and product development (Note 16).

2.17 Trade and other receivables

Trade and other receivables are recognised initially at fair value and are subsequently held at amortised value using the effective interest rate method. A provision for expected credit losses is established when there is evidence, based on historic experience and incorporating forward-looking information where relevant, including knowledge of the Group's customer base, that the counterparty is credit impaired or that the Group will not be able to collect all amounts due, according to the original terms of the receivables. Impairment losses are recognised in profit or loss for the period

2.18 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at banks, less bank overdrafts, which are classified as current liabilities and are stated at fair value. There are no other borrowings.

2.19 Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently measured at amortised cost using the effective interest rate method.

2.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Grant income has been offset against the relevant expenditure where permitted.

Further information on the grants received during the year is provided in note 6 and 29.

2. Accounting policies (continued)

2.21 Provisions for liabilities

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Restructuring and property-related provisions include lease termination penalties and employee termination payments.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value at the reporting date of management's best estimate of the expenditure required to settle the obligation. The pre-tax discount rate used to determine the present value reflects current market assessments of the time value of money and the risk specific to the liability. Any increase in provisions due to the passage of time is recognised as interest expense.

2.22 Share Capital

Ordinary shares and redeemable preference shares are classified as equity.

2.23 Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

3. Key sources of estimation and judgements

The Company is required to make estimates and assumptions that affect the reported amount of certain asset, liability, income and expense items and certain disclosures regarding contingencies, and to make judgements in the process of applying its accounting policies. Estimates and assumptions applied by management are continuously evaluated and are based on information available, historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances at the dates of preparation of the financial statements.

Key sources of non-critical accounting estimates and assumptions:

(a) The carrying values of property, plant and equipment, including right of use assets, have been assessed. As per notes 14 and 20, impairment charges have been recorded against leasehold improvements and right of use assets relating to multiple loss-making boutiques, has been impaired. The impairment charge has been recorded in selling and distribution costs. The recoverable amount of the impaired assets is nil, based on an assessment of future cashflows. The remaining balance that has not been impaired relates to boutiques which management judge to be profitable going forward. Based on past and forecast performance of these boutiques, a reasonably probable change in the estimates is not expected to result in a material change to the carrying value of property, plant and equipment as at the balance sheet date.

(b) When assessing the net realisable value of inventory, estimation is required regarding the level of future sales volumes and prices. However, a reasonably probable change in the estimates is not expected to result in a materialchange to the carrying value of inventory as at the balance sheet date;

(c) The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, the incremental borrowing rate is used, being the rate that the individual lessee would have to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). No extension options have been included in the lease liabilities;

3. Key sources of estimation and judgements (continued)

The amounts involved are disclosed elsewhere in the financial statements.

4. Financial risk management

The Company's operations expose it to a variety of financial risks that include price risk, credit risk, liquidity risk, interest rate cash flow risk and foreign exchange risk.

Price risk
The Company is not exposed, materially, to commodity price risk as generally purchases are intra-Group. Any exposure to commodity price risk is therefore managed by the Richemont Group.

Credit risk
The Company has no significant concentrations of credit risk. It has policies in place to ensure that sales of products are made to customers with an appropriate credit history. Credit risk arising from cash and deposits with credit institutions is managed by the Richemont Group.

Liquidity risk
The Company maintains a mixture of cash balances and overdrafts that are designed to ensure the Company has sufficient funds available for operations and planned expansions.

Interest rate cash flow risk
As the Company has no significant interest-bearing assets, with the exception of cash, the Company's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate risk arising from cash and cash equivalents with credit institutions is managed by the Richemont Group.

Foreign exchange risk
The Company has limited exposure to foreign exchange risk arising primarily with respect to the Swiss franc and Euro. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. The Company does not seek to hedge this exposure.

5. Revenue

An analysis of turnover by class of business is as follows:

	2023	2022
	£000	£000
Sale of goods and services	**232,400**	164,215
	232,400	164,215

All turnover arose within the United Kingdom and Northern Ireland.

6. Other operating income

	2023	2022
	£000	£000
Group commission received	12,078	20,249
Government grants relating to staff costs (Note 29)	-	100
	12,078	20,349

7. Operating profit

The operating profit is stated after charging/(crediting):	2023	2022
	£000	£000
Expense relating to leases of low-value assets (note 20)	51	65
Expenses relating to short-term leases (note 20)	2,217	1,733
Variable lease expenses – property (note 20)	11,512	4,177
Depreciation of property, plant and equipment (note 14)	3,106	3,163
Depreciation on right of use assets (note 14 & 20)	23,420	23,201
Impairment of property, plant and equipment (note 14)	634	36
Impairment of right of use assets (note 14 & 20)	-	298
Loss on disposal of property, plant and equipment (note 14)	156	7
Amortisation of intangibles assets (note 13)	968	974
Inventory – recognised in cost of goods sold	126,519	92,086
Trade receivables – net movement in provision (note 17)	(145)	(167)
Repairs and maintenance expenditure on property, plant and equipment	1,720	1,559
Employee benefit expenses	25,408	21,244
Government grants relating to staff costs (Note 6 and 29)	-	(100)
Auditors' remuneration – for audit services	112	101
Auditors' remuneration – non-audit services (tax and legal compliance)	-	12
Inventory – net movement in provision (note 16)	(492)	(1,762)

Auditors' renumeration is for both the Company and its immediate holding company Cartier Limited.

8. Employees

	2023	2022
Staff costs, including directors' remuneration, were as follows:	£'000	£'000
Wages and salaries	21,135	17,598
Social security costs	3,148	2,600
Other pension costs	1,125	1,046
	25,408	21,244

8. Employees (continued)

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

	2023 No.	2022 No.
Selling & Production	**333**	248
Administration	**15**	70
	348	318

9. Directors' remuneration

	2023 £000	2022 £000
Directors' emoluments	**396**	350
Company contributions to defined contribution pension schemes	**15**	15
	411	365

None of the directors received payment from the Company. Their remuneration is paid by other Richemont companies. The directors' remuneration disclosed relates to directors who are paid by other Richemont companies of which they are not a director and their remuneration is not disclosed elsewhere in the Group.

The highest paid Director, not disclosed elsewhere in the Group, received aggregate emoluments of £396,000 (2022: £350,000). Payments to a defined contribution pension scheme for the year to 31st March 2023 were £15,000 (2022: £15,000) for the previously mentioned director. The director exercised share options in the period.

The Directors have interests in the share options of the Company's ultimate parent, Compagnie Financière Richemont SA.

10. Finance income

	2023 £000	2022 £000
Foreign exchange gains	**76**	38
	76	38

11. Finance costs

	2023 £000	2022 £000
Other finance costs	**10**	8
Lease liability expense	**2,143**	2,235
Foreign exchange losses	**126**	41
	2,279	2,284

12. Tax on profit

	2023 £000	2022 £000
Corporation tax		
Current tax on profit for the year	**3,518**	3,126
Adjustment in respect of prior years	**(388)**	(670)
Total current tax	**3,130**	2,456
Deferred tax		
Origination and reversal of timing differences	**(235)**	426
Adjustment in respect of prior years	**(468)**	580
Effect of tax rate change on opening balance	**-**	(1,741)
Total deferred tax	**(703)**	(735)
Taxation on profit	**2,427**	1,721

12. Tax on profit/(loss) (continued)

Factors affecting tax charge for the year

The tax assessed for the year at the standard rate of corporation tax in the UK of 19% (2022: 19%) as set out below:

	2023 £000	2022 £000
Profit before tax	**11,638**	10,589
Profit multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	**2,211**	2,012
Effects of:		
Income not taxable for tax purposes	**(1)**	-
Expenses not deductible for tax purposes	**1,227**	1,781
Adjustments to tax charge in respect of prior periods	**(388)**	(670)
Adjustments to deferred tax charge in respect of previous periods	**(468)**	580
Movement in deferred tax not recognised	**-**	(245)
Consideration paid for losses claimed as group relief	**(3,518)**	(3,127)
Premium on short lease	**(98)**	(98)
Remeasurement of deferred tax for changes in tax rates	**(56)**	(1,639)
Group relief	**3,518**	3,127
Total tax charge for the year	**2,427**	1,721

13. Intangible assets

	Leasehold rights and premiums	Software	Total
	£000	£000	£000
Cost			
At 1 April 2022	17,138	49	17,187
Additions	-	-	-
At 31 March 2023	17,138	49	17,187
Accumulated amortisation			
At 1 April 2022	11,864	49	11,913
Charge for the year on owned assets	968	-	968
At 31 March 2023	12,832	49	12,881
Net book value			
At 31 March 2023	4,306	-	4,306
At 31 March 2022	5,274	-	5,274

Amortisation of intangible assets is charged to selling and distribution costs in the Statement of Comprehensive Income.

14. Property, plant and equipment

	Leasehold improvements	Point of sale fixtures	Office equipment	Rights of use assets	Assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
At 1 April 2022	**34,938**	**149**	**666**	**196,094**	**265**	**232,112**
Additions	4,952	34	113	7,457	5	**12,561**
Transfers between classes	204	-	-	-	(204)	**-**
Disposals	(513)	(60)	(37)	(834)	(37)	**(1,481)**
Transfers in group	324	974	-	-	-	**1,298**
At 31 March 2023	**39,905**	**1,097**	**742**	**202,717**	**29**	**244,490**
Accumulated depreciation and impairment						
At 1 April 2022	**28,724**	**134**	**342**	**98,443**	**-**	**127,643**
Charge for the year on owned assets	2,893	139	74	23,420	-	**26,526**
Disposals	(395)	(60)	(36)	(834)	-	**(1,325)**
Transfers in group	76	786	-	-	-	**862**
Impairments	634	-	-	-	-	**634**
At 31 March 2023	**31,932**	**999**	**380**	**121,029**	**-**	**154,340**
Net book value						
At 31 March 2023	**7,973**	**98**	**362**	**81,688**	**29**	**90,150**
At 31 March 2022	6,214	**15**	324	97,651	265	104,469

15. Deferred Taxation

There is a net deferred tax asset at the balance sheet date. The asset has been recognised to the extent that it is considered to be recoverable in the foreseeable future. Deferred taxes at the balance sheet date have been measured using the enacted tax rate of 25% (PY: 25%) and reflected in these financial statements.

	2023 £000	2022 £000
At 1 April 2022	6,831	6,096
Movement in year	703	735
At 31 March 2023	7,534	6,831

The deferred tax asset is made up as follows:

	2023 £000	2022 £000
Property, plant and equipment and intangible assets temporary differences	6,319	5,759
Other temporary differences and losses	1,215	1,072
	7,534	6,831

16. Inventories

	2023 £000	2022 £000
Finished goods and goods for resale	42,602	39,212
	42,602	39,212

The above amounts are net of provisions of £1,611,000 (2022: £2,103,000).

17. Trade and other receivables

	2023 £000	2022 £000
Amounts falling due within one year:		
Trade debtors	13,472	11,125
Amounts owed by group undertakings	72,658	48,354
Other debtors	7,184	3,469
Prepayments and accrued income	1,611	1,338
Indirect tax recoverable (VAT)	6,756	3,621
	101,681	67,907

17. Trade and other receivables (continued)

The Directors consider that the carrying amount of trade and other receivables approximates their fair values. The past due receivables are deemed to be recoverable as there is no history of default. The other classesof receivables do not contain impaired assets. Other debtors are primarily amounts owed by credit card issuers. All trade and other receivables are due within one year. Provision for overdue debts was £189,000 (2022: £334,000).

Trade and other receivables and amounts owed by group undertakings are based on expected cash flows which are not discounted as they are expected to occur within the next 12 months.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Company does not hold any collateral as security.

18. Cash and cash equivalents

	2023	2022
	£000	£000
Cash at bank and in hand	**229**	237

The Company is a member of the UK Physical Cash Pool, where its GBP account is swept to nil each evening, regardless as to whether the balance is positive or negative, see note 17. All cash is held with the Cash Pool Leader Richemont Holdings (UK) Limited, and the Company always has access to funding to meet its obligations as they fall due.

19. Trade and other payables

	2023	2022
	£000	£000
Trade creditors	**5,035**	3,366
Amounts owed to group undertakings	**55,353**	32,388
Other creditors	**21,732**	13,973
Accruals and deferred income	**8,007**	7,395
	90,127	57,122

The directors consider that the carrying amount of trade and other payables approximates to their fair values. No security has been given by the Company in respect of the creditors detailed above. All trade and other payables are due within one year.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

20. Leases

Richemont UK Limited has lease contracts for buildings and vehicles. The amounts recognised in the financial statements in relation to the leases are as follows:

Amounts recognised in the statement of financial position

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

	2023	2022
	£000	£000
Buildings	**81,688**	97,638
Other	**-**	13
	81,688	97,651

Lease liabilities	**2023**	2022
	£000	£000
Current	**25,177**	25,208
Non-current	**89,078**	108,008
	114,255	133,216

Additions to the right-of-use assets during the 2023 financial year were £7,457,000 including remeasurements of £337,000 on existing leases as a result of lease modifications (2022: £11,382,000 including remeasurements £1,210,000 on existing leases as a result of lease modifications).

20. Leases (continued)

Amounts recognised in the income statement
The income statement shows the following amounts relating to leases:

		2023 £000	2022 £000
Depreciation charge of right-of-use assets			
Property		**(23,420)**	(23,201)
	note 14	**(23,420)**	(23,201)
Impairment charge of right of use assets		**-**	(298)
Interest expense (included in finance cost)	note 11	**(2,143)**	(2,235)
Expense relating to short-term leases		**(2,217)**	(1,733)
Expense relating to leases of low-value assets not shown as short-term leases		**(51)**	(65)
Expense relating to variable leases payments not included in lease liabilities		**(11,512)**	(4,177)

Future minimum lease payments as at 31 March are as follows:

	2023 £000	2022 £000
Not later than one year	**(27,059)**	(27,216)
Later than one year and not later than five years	**(65,643)**	(76,922)
Later than five years	**(29,087)**	(37,862)
Total gross payments	**(121,789)**	(142,000)
Impact of finance expenses	**(7,534)**	(8,784)
Carrying amount of liability	**(114,255)**	(133,216)

The total cashflow for leases in the year was £42,110,000 (2022: £33,512,000).

21. Other non-current liabilities

	2023	2022
	£000	£000
Other creditors	-	279
	-	279

22. Provisions for liabilities

	Employee benefits	Warranty and Sales Returns	Total
	£000	£000	£000
At 1 Apr 2022	**164**	**534**	**698**
Charge/ (Credit) to profit and loss	42	(252)	**(210)**
Utilised in year	(47)	-	**(47)**
At 31 March 2023	**159**	**282**	**441**

Of the total provisions, £369,000 (2022: £594,000) is current and £72,000 (2022: £104,000) is non-current.

Warranty and sales returns provisions
The Company has established provisions for warranties and sales returns provided on certain products. Based on past experience a provision of £282,000 (2022: £534,000) has been recognised.

Employee benefits provision
These include social security charges on the Compagnie Financière Richemont SA share-based compensation plan. It is anticipated that the provision will be utilised within 5 years.

23. Called up share capital

	2023	2022
	£000	£000
Allotted, called up and fully paid		
15,776,400 (2022: 15,776,400) Ordinary Shares of £1.00 each	**15,776**	15,776

The Company has one class of ordinary shares, which carry no rights to fixed income.

24. Equity-settled option plan

The Group has a long-term share-based compensation plan whereby executives are awarded options to acquire Richemont "A" shares at the market price on the date of grant. Awards under the stock option plan vest over periods of three to six years and have expiry dates, the date after which unexercised options lapse, of nine years from the date of grant. The executive must remain in the Group's employment until vesting. The options granted between 2008 and 2016 include a performance condition correlated to other luxury goods companies upon which vesting is conditional.

A reconciliation of the movement in the number of share awards granted to executives is as follows:

	Weighted average exercise price in CHF 2023	**Number 2023**	Weighted average exercise price in CHF 2022	Number 2022
Outstanding at the beginning of the year	**78.23**	**12,327**	81.75	18,255
Transferred in during the year	**92.00**	**3,800**	-	-
Transferred out during the year	**77.96**	**(11,978)**	89.09	(5,928)
Outstanding at the end of the year	**91.61**	**4,149**	78.23	12,327

Of the total options outstanding at 31 March 2023, options in respect of 2,700 shares (2022: 8,333 shares) had vested and were exercisable.

The following information applies to the number of options outstanding at the end of each year:

	Number 2023	Number 2022
Exercise price CHF 94.00- Weighted average remaining contractual life 0.2yrs (2022 – 1.2yrs)	**-**	1,000
Exercise price CHF 83.30- Weighted average remaining contractual life 1.2yrs (2022 – 2.2yrs)	**-**	1,500
Exercise price CHF 56.55- Weighted average remaining contractual life 2.2yrs (2022 – 3.2yrs)	**-**	3,000
Exercise price CHF 80.20- Weighted average remaining contractual life 3.2yrs (2022 – 4.2yrs)	**-**	3,000
Exercise price CHF 92.00- Weighted average remaining contractual life 4.2yrs (2022 – 5.2yrs)	**4,050**	2,500
Exercise price CHF 82.86- Weighted average remaining contractual life 5.2yrs (2022 – 6.2yrs)	**-**	633
Exercise price CHF 75.84- Weighted average remaining contractual life 6.7yrs (2022 –7.7yrs)	**99**	694
Outstanding options	**4,149**	12,327

A further share-based compensation plan was introduced in the prior year whereby executives are awarded Restricted Share Units ('RSU'). Awards under this plan vest over periods of three to five years from the date of grant. On vesting, the executive will receive an 'A' share in the Company. Awards granted to senior executives are also subject to performance conditions which may reduce the number of shares vesting (Performance Share Units, or 'PSU'. Executives are not entitled to dividends during the vesting period.

24. Equity-settled option plan (continued)

A reconciliation of the movement in the number of restricted and performance share awards granted to executives is as follows:

	Number of Shares
Balance at 1April 2021	**4,171**
Granted	1,458
Transfer in	127
Transfer (out)	(2,457)
Balance at 31 March 2022	**3,299**
Granted	2,392
Exercised	(586)
Lapsed	(213)
Transfer in	2,938
Transfer out	(1,709)
Balance at 31 March 2023	**6,121**

The per unit fair value of RSU and PSU granted during the year was CHF 104.61. The significant inputs to the model were the share price of CHF 111.30 and the grant date and a given dividend yield of 2.0%.

The amounts recognised in the Statement of Comprehensive Income (before social security and taxes) for equity settled share-based payment transactions can be summarised as follows:

	2023	2022
	£000	£000
Share option expense	**87**	73
	87	73

25. Contingent liabilities and guarantees

The Company has granted indemnities to banks totalling £2,000,000 (2022: £2,000,000) in respect of the operation of a deferment guarantee arrangement with HM Revenue & Customs, and a guarantee for the rental obligations of a subsidiary property of £520,000 (2022: £520,000).

26. Capital commitments

Capital commitments authorised and contracted for at 31 March 2023 amounted to £nil (2022: £nil). Capital commitments authorised but not contracted for at that date amounted to £4,643,000 (2022: £3,197,000).

27. Pension Commitments

Defined contribution plans

Pension costs incurred by the Company for defined contribution schemes are £1,125,000 (2022: £1,046,000).

28. Related party transactions

	2023 £000	2022 £000
Sale of goods to directors	44	104
	44	104

The Directors consider that there are no key managers, whose roles and activities within the Company define them as related parties in accordance with IAS 24, outside the Board of Directors. Disclosures in respect of the remuneration of directors are located in note 9 to the financial statements. This does not include share options, details of which are disclosed in note 24.

29. Government Grants

Government grants of £Nil (2022: £102,000) relating to store closures resulting from Covid-19 are included in operating expenses. There are no unfulfilled conditions or other contingencies attached to these grants, During the prior year the Company utilised the Coronavirus Job Retention Scheme implemented by the government of the United Kingdom, where employees designated as being "furloughed workers" are eligible to have 80% of their wage costs paid up to a maximum amount of £2,500 per month. The total amount of such relief received was 2022: £100,000. There are no unfulfilled conditions or other contingencies attached to these grants.

30. Post balance sheet events

On 1 April 2023 Richemont UK Limited acquired the trading, assets and liabilities of Maroquinerie Delvaux UK Limited, a distributor of leather goods for a Richemont group brand. The consideration was £2,184,000.

There were no other significant events after the balance sheet date.

31. Ultimate and immediate holding company

The Company is a wholly owned subsidiary of Cartier Limited, a company registered in England and Wales.

The Directors regard Compagnie Financière Richemont SA, a limited company incorporated in Switzerland, to be the ultimate parent company. Shares representing 51% of the voting rights of that company are held by Compagnie Financière Rupert which, for the purposes of IAS 24, is regarded by the Directors as the controlling party.

Compagnie Financiere Richemont SA is the largest and smallest group of related undertakings for which consolidated financial statements are prepared. Copies of the consolidated financial statements of Compagnie Financière Richemont SA may be obtained from: The Secretary, Compagnie Financière Richemont SA, 50 Chemin de la Chenaie, 1293 Bellevue - Geneva, Switzerland.