

Registered number: 04251951

---

**BURBERRY LONDON LIMITED**

---

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

TUESDAY



\*L6ECMZS8\*

LD3

05/09/2017

#86

COMPANIES HOUSE

---

## BURBERRY LONDON LIMITED

---

### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2017

---

The directors present their Strategic Report for the year ended 31 March 2017.

#### **Business review**

Burberry London Limited (the "Company") is a wholly owned subsidiary of Burberry Group plc (the "Group"). Its principal activity is to act as a holding company.

The balance sheet on page 8 of the financial statements shows that the Company is in a net asset position at the year end consistent with the prior year.

#### **Future developments**

At the date of this report the directors do not anticipate any major changes in the Company's activities in the next year.

#### **Principal risks and uncertainties**

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risk and uncertainties of the Group, which include those of the Company, are discussed on pages 60 to 65 of the Group's 2016/17 Annual Report which does not form part of this report.

#### **Financial risk management**

From the perspective of the Company, the financial risk management is integrated with the financial risk management of the Group and is not managed separately. Accordingly, the financial risk management of the Group, which includes that of the Company, is discussed on pages 160 to 162 of the Group's 2016/17 Annual Report which does not form part of this report.

#### **Other key performance indicators**

The Group's directors manage the Group's operations on a consolidated basis using key performance indicators. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate. The development, performance and position of the Group is discussed in the Group Financial Review section of the Group's 2016/17 Annual Report which does not form part of this report.

On behalf of the board



**N P Jones**  
Director  
25 August 2017

---

## **BURBERRY LONDON LIMITED**

---

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017**

---

The directors present their report and the audited financial statements for the year ended 31 March 2017.

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

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.

#### **Dividends paid**

Dividends paid in the year amount to £450,000,000 (2016 - £200,000,000).

#### **Results and dividends**

The Company's profit for the year, after taxation, amounted to £450,000,000 (2016 - £200,000,000).

The directors do not recommend the payment of a final dividend (2016 - £nil).

#### **Directors**

The directors who served during the year and up to the date of signing the financial statements were as follows:

C A Fairweather (resigned 20 January 2017)

N P Jones

J B Smith (resigned 7 June 2017)

B D Jackson (appointed director on 7 June 2017, previously alternate director of J B Smith)

R Djellas (alternate director to C A Fairweather, resigned 20 January 2017)

#### **Future developments**

Please refer to the Strategic Report on page 1 for the future developments of the Company.

---

## BURBERRY LONDON LIMITED

---

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

---

#### Financial risk management

Please refer to the Strategic Report on page 1 for the financial risk management of the Company.

#### Qualifying third party indemnity provisions

C A Fairweather and J B Smith had the benefit of an indemnity, which is a qualifying third party indemnity as defined by Section 234 of the Companies Act 2006. Each such indemnity was put in place by the Group and covers their duties as Directors of the Group and its subsidiaries. The indemnity was in force throughout the tenure of each director during the last financial year up until their resignation from the Company, which was 20 January 2017 and 7 June 2017 for C A Fairweather and J B Smith respectively. The Group also purchased and maintained throughout the financial year Director's and Officer's liability insurance in respect of itself and its Group directors, including the directors of its subsidiaries. C A Fairweather and J B Smith had the benefit of this insurance up until their resignation from the Company on 20 January 2017 and 7 June 2017 respectively.

#### Disclosure of information to auditors

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

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

#### Post balance sheet events

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

#### Independent auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

On behalf of the board



**N P Jones**  
Director  
25 August 2017

---

## BURBERRY LONDON LIMITED

---

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURBERRY LONDON LIMITED

---

#### Report on the financial statements

##### *Our opinion*

In our opinion, Burberry London Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### *What we have audited*

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 March 2017;
- the Income Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

##### **Opinion on other matter 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

##### **Other matters on which we are required to report by exception**

##### ***Adequacy of accounting records and information and explanations received***

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

- we have not received all the information and explanations we require for our audit; or

---

## BURBERRY LONDON LIMITED

---

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURBERRY LONDON LIMITED

---

- 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.

We have no exceptions to report arising from this responsibility.

#### ***Directors' remuneration***

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

#### **Responsibilities for the financial statements and the audit**

##### ***Our responsibilities and those of the directors***

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

##### ***What an audit of financial statements involves***

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether

---

**BURBERRY LONDON LIMITED**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURBERRY LONDON LIMITED**

---

those reports include the disclosures required by applicable legal requirements.



**Sotiris Kroustis (Senior Statutory Auditor)**  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

25 August 2017

---

**BURBERRY LONDON LIMITED**

---

---

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2017**

---

	Note	2017 £000	2016 £000
Income from investment in subsidiary	3	450,000	200,000
<b>Profit on ordinary activities before taxation</b>	4	<b>450,000</b>	<b>200,000</b>
Taxation	5	-	-
<b>Profit for the year</b>		<b>450,000</b>	<b>200,000</b>

The Company had no other comprehensive income during the year other than that included in the Income Statement, and therefore no separate Statement of Comprehensive Income has been presented.

The above results are derived from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.



---

**BURBERRY LONDON LIMITED**  
**REGISTERED NUMBER: 04251951**

---

**BALANCE SHEET**  
**AS AT 31 MARCH 2017**

---

	Note	2017 £000	2016 £000
<b>Fixed assets</b>			
Investment in subsidiary	7	21,043	21,043
<b>Net assets</b>		<u>21,043</u>	<u>21,043</u>
<b>Capital and reserves</b>			
Called up share capital	8	505	505
Share premium account		20,538	20,538
<b>Total equity</b>		<u>21,043</u>	<u>21,043</u>

The notes on pages 10 to 15 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**N P Jones**  
Director

25 August 2017

**BURBERRY LONDON LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2017**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 31 March 2016	505	20,538	-	21,043
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	450,000	450,000
<b>Total comprehensive income for the year</b>	-	-	450,000	450,000
Dividends paid (note 6)	-	-	(450,000)	(450,000)
<b>At 31 March 2017</b>	<b>505</b>	<b>20,538</b>	<b>-</b>	<b>21,043</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2016**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 31 March 2015	505	20,538	-	21,043
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	200,000	200,000
<b>Total comprehensive income for the year</b>	-	-	200,000	200,000
Dividends paid (note 6)	-	-	(200,000)	(200,000)
<b>At 31 March 2016</b>	<b>505</b>	<b>20,538</b>	<b>-</b>	<b>21,043</b>

The notes on pages 10 to 15 form part of these financial statements.

---

## BURBERRY LONDON LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

---

#### 1. Accounting policies

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

##### 1.1 Basis of preparation of financial statements

Burberry London Limited is a holding company. The Company which is private and limited by shares is incorporated and domiciled in the UK. The Company is registered in England and Wales and the address of its registered office is Horseferry House, Horseferry Road, London, SW1P 2AW.

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. As permitted under section 400 of the Companies Act 2006, group financial statements have not been prepared as the Company is itself a wholly owned subsidiary of another company (see note 9).

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

##### Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of some of the available disclosure exemptions permitted by FRS 101 in the financial statements, which are summarised below:

- the requirements of IFRS 7, 'Financial Instruments: Disclosures';
- 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;
- the requirements of the following paragraphs of IAS 1 'Presentation of financial statements':
  - 10(d) (statement of cash flows);
  - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
  - 16 (statement of compliance with all IFRS);
  - 38A (requirement for minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 40A-D (requirements for a third statement of financial position);
  - 111 (cash flow statement information); and
  - 134-136 (capital management disclosures).
- the requirements of IAS 7 'Statement of Cash Flows';
- the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- the requirements of paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation); and
- 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; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 'Impairment of Assets'.

---

## BURBERRY LONDON LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

---

#### 1. Accounting policies (continued)

##### 1.2 Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### 1.3 Investment in subsidiary

Investment in subsidiary is measured at cost less accumulated impairment.

##### 1.4 Impairment

Investments are not subject to amortisation but are tested annually for impairment. An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. Investments for which an impairment has been previously recognised are reviewed for possible reversal of impairment at each reporting date.

##### 1.5 Dividend distribution

Dividend distributions are recognised as a liability in the year in which the dividend becomes a committed obligation. Final dividends are recognised when they are approved by the shareholders. Interim dividends are recognised when paid.

##### 1.6 Taxation

Tax expense represents the sum of the tax currently payable and deferred tax charge.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense which are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The liability for current tax is calculated using tax rates which have been enacted or substantively enacted by the balance sheet date.

##### 1.7 Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

---

## BURBERRY LONDON LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

---

#### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements in conformity with FRS 101 requires that management make certain judgements, estimates and assumptions that affect the reported revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best judgements at the date of the financial statements, deviate from actual circumstances, the original estimate and assumptions will be updated as appropriate in the period in which the circumstances change.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key area where the estimates and assumptions applied have a significant risk of causing a material adjustment to the carrying value of assets and liabilities is discussed below:

##### *Impairment of investments*

Investments are reviewed for impairment annually. When a review for impairment is conducted, the recoverable amount is determined based on an assets fair value less costs to sell. Refer to note 7 for further details of investments.

#### 3. Income from investment in subsidiary

The Company received £450,000,000 (2016 - £200,000,000) in dividend income from Burberry (UK) Limited.

#### 4. Profit on ordinary activities before taxation

The directors did not receive any emoluments in respect of their services to the Company (2016 - £nil).

The Company has no employees and therefore no employee costs are included in these financial statements (2016 - £nil). The Company has not been recharged audit fees of £1,300 (2016 - £1,300) as these were paid by Burberry Limited.

#### 5. Taxation

Corporation tax is based on the profit for the year and comprises:

	2017 £000	2016 £000
Current tax at 20% (2016 - 20%)	-	-

---

**BURBERRY LONDON LIMITED**

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

---

**5. Taxation (continued)****Factors affecting tax charge for the year**

UK Group companies do not charge/pay for group tax relief from other UK companies. As such, the Company does not recognise a tax (credit)/charge for any (losses)/profits to the extent that there are sufficient profits/(losses) within the UK Group companies to fully offset the Company's UK liability.

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £000	2016 £000
Profit on ordinary activities before taxation	<u>450,000</u>	<u>200,000</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	90,000	40,000
Effects of:		
Dividends from UK companies	(90,000)	(40,000)
Total tax charge for the year	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

There were a number of changes to the UK corporation tax system announced in the July 2015 Budget Statement and later in the March 2016 budget. The main rate of corporation tax changed to 19% on 1 April 2017 and will further change to 17% from 1 April 2020. These changes were substantively enacted on 26 October 2015 and 6 September 2016 respectively.

**6. Dividends**

	2017 £000	2016 £000
Dividends paid in the year	<u>450,000</u>	<u>200,000</u>

The directors paid an interim dividend of £891 (2016 - £396) per ordinary share.

**BURBERRY LONDON LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**7. Investment in subsidiary**

	Investment in subsidiary £000
<b>Cost</b>	
At 1 April 2016	21,043
At 31 March 2017	21,043
<b>Net book value</b>	
At 31 March 2017	21,043
At 31 March 2016	21,043

In accordance with section 409 of the Companies Act 2006 a full list of related undertakings as at 31 March 2017, including country of incorporation and percentage share ownership, is disclosed below. Unless otherwise stated, all undertakings listed below are indirectly owned by the Company and operate in the country of incorporation.

Company name	Country of incorporation	Interest	Holding (%)
Burberry (UK) Limited <sup>1</sup> (1)	UK	Ordinary shares	100
Burberry Limited (1)	UK	Ordinary shares	100
Burberry Distribution Limited (1)	UK	Ordinary shares	100
Worldwide Debt Collections Limited (2)	UK	Ordinary shares	100
Temple Works Limited (1)	UK	Ordinary shares	100
Sweet Street Developments Limited (1)	UK	Ordinary shares	100
Burberry Italy Retail Limited <sup>2</sup> (1)	UK	Ordinary shares	100
Burberry Brasil Comércio de Artigos de Vestuário e Acessórios Ltda (3)	Brazil	Ordinary shares	100

The directors consider the value of the investments to be supported by their underlying assets.

<sup>1</sup> Held directly by the Company

<sup>2</sup> Operates principally in Italy

**Ref Registered office address**

- (1) Horseferry House, Horseferry Road, London, SW1P 2AW, United Kingdom
- (2) Adelaide House, London Bridge, London, EC4R 9HA, United Kingdom
- (3) Rua Do Rocio, 350 3º Andar, Vila Olimpia, São Paulo – SP, CEP 04552-000, Brazil

---

**BURBERRY LONDON LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

---

**8. Called up share capital**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
<b>Allotted, called up and fully paid</b>		
505,101 (2016 - 505,101) ordinary shares of £1 (2016 - £1) each	<b>505</b>	<b>505</b>

**9. Immediate and ultimate parent company**

The immediate parent undertaking is Burberry Holdings Limited, which is registered in England and Wales.

The ultimate parent undertaking and controlling party is Burberry Group plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Burberry Group plc is registered in England and Wales and copies of the consolidated financial statements can be obtained from the Company Secretary at Burberry Group plc, Horseferry House, Horseferry Road, London SW1P 2AW.