

Burberry (No. 5) Unlimited

Registered Number: 4950359

Directors' Report and Accounts

For the year to 31 March 2010

FRIDAY



LCJUBQ0B

L11

17/12/2010

143

COMPANIES HOUSE

Burberry (No. 5) Unlimited

Directors' report for the year to 31 March 2010

The directors submit their report and the audited financial statements for the year to 31 March 2010

Principal activities and business review

Burberry (No 5) Unlimited (the "Company") is a wholly owned subsidiary of Burberry Group plc. Its principal activity is to act as a financing company. There have been no significant changes in the Company's principal activity in the year under review. The directors do not intend, at the date of this report, that there will be any major changes in the Company's activities in the next year.

The balance sheet on page 5 of the financial statements shows that the Company is in a net asset position at the year end, consistent with the prior year.

The Burberry Group (the "Group") manages its operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the financing companies of Burberry Group plc, which includes the Company, is discussed in the Group's 2010 Annual Report which does not form part of this report.

Principal risk and uncertainties

The directors of Burberry Group plc manage risks at a group level, rather than at an individual business unit level. For this reason, the Company's directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's 2010 Annual Report which does not form part of this report.

Results and dividends

The Company's result for the year is £nil (2009: £nil). The directors do not recommend the payment of a dividend (2009: £nil).

Policy in relation to payment of suppliers

The Company has no external suppliers and therefore there are no trade creditors at the year end from which to calculate creditor days.

Provision of information to auditors

In accordance with the provisions of sections 418 (1) to (4) of the Companies Act 2006 each of the Company's directors in office as at the date of this report confirms that:

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

Burberry (No. 5) Unlimited

Directors' report for the year to 31 March 2010 (continued)

Directors

The directors who held office during the year were as follows

S L Cartwright

C A Fairweather

A G Janowski

V L Rainsford (alternate director to C A Fairweather)

The Group maintains directors' liability insurance

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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

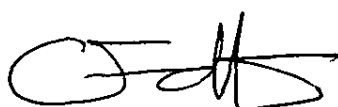
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,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

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

Auditors

The Company has passed elective resolutions dispensing with the need to hold an Annual General Meeting and annually reappoint auditors. Accordingly, PricewaterhouseCoopers LLP are deemed to have been re-appointed as auditors for the forthcoming year.

By order of the board, 13 December 2010



C A Fairweather
Director

Burberry (No. 5) Unlimited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURBERRY (NO 5) UNLIMITED

We have audited the financial statements of Burberry (No 5) Unlimited for the year ended 31 March 2010 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, 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 this opinion, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2010 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

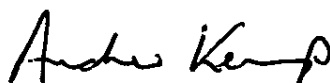
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Andrew Kemp (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

12 December 2010

14

Burberry (No. 5) Unlimited

Profit and loss account for the year to 31 March 2010

| | Note | 2010 £ | 2009 £ |
|---|------|-----------|-----------|
| Administrative expenses | 2 | - | - |
| Operating profit | | - | - |
| Profit on ordinary activities before taxation | | - | - |
| Taxation on profit on ordinary activities | 3 | - | - |
| Profit on ordinary activities after taxation | 7,8 | - | - |

The notes on pages 6 to 8 form part of these financial statements

All results derive from continuing operations

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents

The Company had no recognised gains and losses during the year other than those reflected in the results above, and therefore no separate statement of total recognised gains and losses has been presented

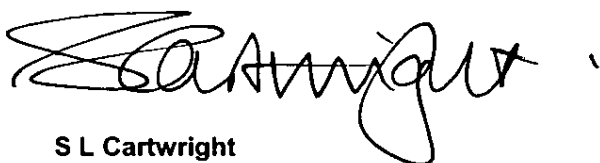
Burberry (No. 5) Unlimited

Balance sheet as at 31 March 2010

| | <i>Note</i> | 2010 £ | 2009 £ |
|---|-------------|-------------|-------------|
| Current assets | | | |
| Debtors – amounts falling due within one year | 4 | 108,603,585 | 115,061,596 |
| | | 108,603,585 | 115,061,596 |
| Current liabilities | | | |
| Creditors – amounts falling due within one year | 5 | - | (6,458,011) |
| Net assets | | 108,603,585 | 108,603,585 |
| Capital and reserves | | | |
| Called up share capital | 6 | 200 | 200 |
| Share premium | 7 | 98,777,793 | 98,777,793 |
| Profit and loss account | 7 | 9,825,592 | 9,825,592 |
| Equity shareholders' funds | 8 | 108,603,585 | 108,603,585 |

The notes on pages 6 to 8 form part of these financial statements

Approved by the board on 13 December 2010



S L Cartwright
Director

Burberry (No. 5) Unlimited

Notes to the financial statements for the year to 31 March 2010

1 Accounting policies

The principal accounting policies of the Company are

(a) Basis of accounting

These financial statements have been prepared on the going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom, which have been applied on a consistent basis

(b) Cash flow statement and related party disclosures

The Company is a wholly owned subsidiary of Burberry Group plc and is included in the consolidated financial statements of Burberry Group plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1, "Cash Flow Statements" (revised 1996)

The Company is also exempt under the terms of Financial Reporting Standard 8, "Related Party Disclosures" from disclosing related party transactions with entities that are part of the Burberry Group

2 Result for the year

No directors received any remuneration from the Company during the year to 31 March 2010 (2009 £nil)

No employee costs are included in these financial statements. The Company has not been recharged audit fees of £1,300 for the current year as these were all paid for by Burberry Limited (2009 £1,300)

3 Taxation on profit on ordinary activities

The corporation tax charge / (credit) is based on the taxable profit for the year and comprises

| | 2010 £ | 2009 £ |
|-----------------------------------|-----------|-----------|
| Corporation tax at 28% (2009 28%) | - | - |
| Total current tax | - | - |

Burberry (No. 5) Unlimited

Notes to the financial statements for the year to 31 March 2010 (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, Burberry (No. 5) Unlimited 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 Burberry (No. 5) Unlimited's UK liability.

The tax assessed for the year differs from the standard rate of corporation tax in the UK (28%) (2009: 28%). The differences are explained below:

| | 2010 £ | 2009 £ |
|---|-------------|-------------|
| Profit on ordinary activities before taxation | - | - |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009: 28%) | - | - |
| Adjusted for the impact of: | | |
| Transfer pricing adjustment – imputed interest | 1,161,624 | 1,960,241 |
| Group relief claimed for nil consideration | (1,161,624) | (1,960,241) |
| Total current tax | - | - |

A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement. The Finance (No. 2) Act 2010 is expected to include legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 24% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

4 Debtors – amounts falling due within one year

| | 2010 £ | 2009 £ |
|-------------------------------------|--------------------|--------------------|
| Amounts due from group undertakings | 108,603,585 | 115,061,596 |
| Total | 108,603,585 | 115,061,596 |

Amounts receivable from group undertakings are unsecured, interest free and receivable on demand.

5 Creditors – amounts falling due within one year

| | 2010 £ | 2009 £ |
|-----------------------------------|-----------|------------------|
| Amounts due to group undertakings | - | 6,458,011 |
| Total | - | 6,458,011 |

Amounts due to group undertakings were unsecured, interest free and repayable on demand.

Burberry (No. 5) Unlimited

Notes to the financial statements for the year to 31 March 2010 (continued)

6 Called up share capital

| | 2010 £ | 2009 £ |
|--|-----------|-----------|
| Authorised | | |
| 1,000 Ordinary shares of £1 each | 1,000 | 1,000 |
| Allotted, issued and fully paid | | |
| 200 Ordinary shares of £1 each | 200 | 200 |

7 Reserves

| | Share premium £ | Profit and loss reserve £ |
|------------------------------|-----------------------|---------------------------------|
| As at 1 April 2009 | 98,777,793 | 9,825,592 |
| Retained profit for the year | - | - |
| As at 31 March 2010 | 98,777,793 | 9,825,592 |

8 Reconciliation of movement in shareholders' funds

| | 2010 £ | 2009 £ |
|------------------------------------|--------------------|--------------------|
| Retained profit for the year | - | - |
| Opening shareholders' funds | 108,603,585 | 108,603,585 |
| Closing shareholders' funds | 108,603,585 | 108,603,585 |

9 Immediate and ultimate parent company

The immediate parent undertaking is Burberrys Limited, which is registered in England and Wales

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