

Registered number: 05075953

WORLDWIDE DEBT COLLECTIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018



WORLDWIDE DEBT COLLECTIONS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

The directors present their Strategic Report for the year ended 31 March 2018.

Business review

Worldwide Debt Collections Limited (the "Company") is a wholly owned subsidiary of Burberry Group plc (the "Group"). Its principal activity is to act as a debt collection 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 risks and uncertainties of the Group, which include those of the Company, are discussed on pages 54 to 67 of the Group's 2017/18 Annual Report which does not form part of this report.

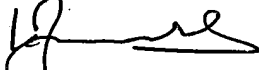
Financial risk management

From the perspective of the Company, financial risk management is integrated with the financial risk management of the Group and is not managed separately. Accordingly, financial risk management of the Group, which include those of the Company, is discussed on pages 171 to 173 of the Group's 2017/18 Annual Report which does not form part of this report.

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 2017/18 Annual Report which does not form part of this report.

On behalf of the board



J. Brimicombe

Director

30 August 2018

WORLDWIDE DEBT COLLECTIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their report and the audited financial statements for the year ended 31 March 2018.

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;
- state whether applicable United Kingdom Accounting Standards, including 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 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.

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

There were no dividends paid during the year (2017 - £nil).

Results and dividends

The Company's profit for the year, after taxation, amounted to £31,479 (2017 - £53,521).

The directors do not recommend the payment of a final dividend (2017 - £nil).

Directors

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

N P Jones

J B Smith (resigned 7 June 2017)

B D Jackson (appointed director on 7 June 2017, resigned 31 March 2018)

I Brimicombe (appointed 15 September 2017)

E C Rash (appointed 2 April 2018)

WORLDWIDE DEBT COLLECTIONS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

Future developments

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

Financial risk management

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

Qualifying third-party indemnity provision

The Group purchased and maintained throughout the financial year and up to the date of signing the financial statements Director's and Officer's liability insurance in respect of itself and its Group directors, including the directors of its subsidiaries.

Disclosure of information to auditors

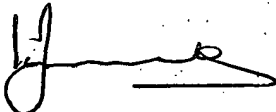
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that 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.

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



I Brimicombe
Director
30 August 2018

WORLDWIDE DEBT COLLECTIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLDWIDE DEBT COLLECTIONS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Worldwide Debt Collections Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 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, comprising 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 and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2018, 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 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

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

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

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.

WORLDWIDE DEBT COLLECTIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLDWIDE DEBT COLLECTIONS LIMITED (CONTINUED)

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 the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

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 2018 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 Directors' responsibilities statement set out on page 2, 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.

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.

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 received all the information and explanations we require for our audit; or

WORLDWIDE DEBT COLLECTIONS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLDWIDE DEBT COLLECTIONS
LIMITED (CONTINUED)**

- 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.



Christopher Solomides (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

30 August 2018

WORLDWIDE DEBT COLLECTIONS LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 £	2017 £
Revenue	3	47,547	58,885
Net operating expenses		(5,364)	(5,364)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	4	42,183	53,521
Taxation	5	(10,704)	-
		<hr/>	<hr/>
Profit for the year		31,479	53,521
		<hr/>	<hr/>

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 14 form part of these financial statements.

WORLDWIDE DEBT COLLECTIONS LIMITED
REGISTERED NUMBER:05075953

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Current assets			
Trade and other receivables - amounts falling due within one year	6	543,016	500,833
Current liabilities			
Creditors - amounts falling due within one year	7	(10,704)	-
Net assets		<u>532,312</u>	<u>500,833</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account		532,311	500,832
Total equity		<u>532,312</u>	<u>500,833</u>

The notes on pages 10 to 14 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:

NP Jones

N P Jones
 Director
 30 August 2018

WORLDWIDE DEBT COLLECTIONS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 31 March 2017	1	500,832	500,833
Comprehensive income for the year			
Profit for the year	-	31,479	31,479
At 31 March 2018	1	532,311	532,312

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 31 March 2016	1	447,311	447,312
Comprehensive income for the year			
Profit for the year	-	53,521	53,521
At 31 March 2017	1	500,832	500,833

The notes on pages 10 to 14 form part of these financial statements.

WORLDWIDE DEBT COLLECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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

Worldwide Debt Collections Limited is a debt collection 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 is Adelaide House, London Bridge, London, EC4R 9HA.

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.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates (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.

WORLDWIDE DEBT COLLECTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

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 Revenue

Revenue, which is stated excluding Value Added Tax and other sales related taxes, is the amount receivable for services supplied to other Group companies and is billed twice annually for time incurred.

1.4 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.

1.5 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.

1.6 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.

1.7 Financial instruments

A financial instrument is initially recognised at fair value on the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. A financial asset is derecognised when the contractual rights to the cash flow expire or substantially all risks and rewards of the asset are transferred. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Subsequent to initial recognition, all financial assets and liabilities are stated at amortised cost using the effective interest rate method. The fair value of the financial assets and liabilities held at amortised cost approximate their carrying amount due to the use of market interest rates.

WORLDWIDE DEBT COLLECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting policies (continued)

The Company's primary category of financial instrument is listed below:

Trade and other receivables

Trade and other receivables are included in current assets. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the movement in the provision is recognised in the Income Statement.

2. Key sources of estimation uncertainty

Preparation of the financial statements in conformity with FRS 101 requires that management make certain 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 estimates 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 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 trade and loan receivables

The Company is required to make an estimate of the recoverable value of trade and loan receivables. When assessing impairment of trade and loan receivables, management considers factors including any specific known problems or risks. Refer to note 6 for further details on the net carrying value of trade and loan receivables.

3. Revenue

Service revenue of £47,547 (2017 - £58,885) originated in the United Kingdom.

4. Profit on ordinary activities before taxation

The directors did not receive any emoluments in respect of their services to the Company (2017 - £nil).

The Company has no employees and therefore no employee costs are included in these financial statements (2017 - £nil). The Company has not been recharged audit fees of £1,300 (2017 - £1,300) as these were paid by Burberry Limited.

WORLDWIDE DEBT COLLECTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. Taxation

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

	2018 £	2017 £
Corporation tax		
Current tax at 19% (2017 - 20%)	-	-
Adjustments in respect of previous periods	10,704	-
Total current tax	<u>10,704</u>	<u>-</u>

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 19% (2017 - 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before taxation	42,183	53,521
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	8,015	10,704
Effects of:		
Adjustments to tax charge in respect of prior periods	10,704	-
Group relief claimed for nil consideration	(8,015)	(10,704)
Total tax charge for the year	<u>10,704</u>	<u>-</u>

Factors that may affect future tax charges

The main rate of corporation tax will change to 17% from 1 April 2020, as legislated in the Finance Bill 2016.

WORLDWIDE DEBT COLLECTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

6. Trade and other receivables - amounts falling due within one year

	2018 £	2017 £
Amounts owed by fellow subsidiaries	<u>543,016</u>	<u>500,833</u>

Amounts owed by fellow subsidiaries are unsecured, interest free and receivable on demand.

7. Creditors - amounts falling due within one year

	2018 £	2017 £
Corporation tax	<u>10,704</u>	-
	<u>10,704</u>	-

8. Called up share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 (2017 - 1) ordinary share of £1 (2017 - £1)	<u>1</u>	<u>1</u>

9. Immediate and ultimate parent company

The immediate parent undertaking is Burberry 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.