

AURORA

FASHIONS

Aurora Fashions Services Limited

Annual Report and Financial Statements

For the period 26 February 2017 to 24 February 2018



Company registered number: 6818468 (England and Wales)

Aurora Fashions Services Limited

Contents

	Page
Company information	2
Strategic Report	3
Directors' Report	4
Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and financial statements	5
Independent auditor's report to the members of Aurora Fashions Services Limited	6
Profit and loss account and other comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes forming part of the financial statements	11

Aurora Fashions Services Limited

Company information

Directors	Matthew Turner Johann Petur Reyndal Sanam Soufipour Elizabeth Evans Neil McCausland
Secretary	Heatons Secretaries Limited
Company number	6818468
Registered office	The Triangle Stanton Harcourt Industrial Estate Stanton Harcourt Witney Oxfordshire OX29 5UT
Auditor	KPMG LLP Arlington Business Park Theale, Reading, RG7 4SD
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
Solicitors	Field Fisher Waterhouse LLP 5th Floor, Free Trade Exchange 37 Peter Street Manchester M2 5GB White & Case LLP 5 Old Broad Street London EC2N 1DW

Aurora Fashions Services Limited

Strategic Report

For the period 26 February 2017 to 24 February 2018

Strategy and Objectives

The Company's ongoing principal activity is ownership of property lease commitments on behalf of the Aurora Group, headed by Aurora Fashions Group Limited.

Business Model

The entity is owned 50% by the OWL Group, 25% by the Coast Group and 25% by the Karen Millen Group, all of which are sub groups within the Aurora group. Shared service functions on behalf of the Aurora group, which previously operated within Aurora Fashions Services Limited, are now undertaken by companies within those sub groups.

KPI's

The Company ceased to perform shared service functions on behalf of the Aurora group, therefore management charges to other Group companies during the period amounted to £0.0 million (2017: £2.0 million).

Future developments

Aurora Fashions Services Limited continues to hold a number of leases on behalf of the group.

All employees have now been brand aligned. The internal restructure will further enable the main Aurora Group trading brands; Oasis, Warehouse, Coast and Karen Millen, to operate independently and focus on the continued development of the brands and omni channel presence in both the UK and overseas.

Principal Risks and Uncertainties

Changes in fashion trends

The principal risk faced by the Group is that the product offering declines in popularity, leading to reduced revenues, margins and cash flow. Across the Group the risk is managed by operating a buying and merchandising model which focuses on generating fashionable product lines, short lead times and low stock levels. Aurora Fashions Services Limited is reliant on the Brand's performance to meet its obligations as they fall due. There continues to be uncertainty and pressures around UK high street retailing, the Group will continue to monitor the industry conditions and will make decisions based on management's assessment.

Supply chain

The Group, and therefore the Company in its capacity as a service provider to the Group, is dependent on the ability of its suppliers to manufacture its products to the desired quality and standards and on its logistics providers to ensure it reaches the required location on a timely basis. The standards, arrangements and contingency plans are under constant review by management.

Liquidity risk

The Oasis and Warehouse Group have a Senior facilities Agreement in place (October 2015) provided by Aurora Fashions Finance Limited in its capacity as lender, agent and security agent for Kaupthing ehf. The facility is subject to financial covenant targets that adjust through to maturity of the loans. Performance against the covenants is measured quarterly. Further details are contained in note 1.4 'Going concern' and note 11 'Guarantees and commitments'.

Going Concern

Note 1.4 to the financial statements sets out the basis of preparation of the financial statements. As explained in note 1.4, the directors consider that it continues to be appropriate to prepare the financial statements on the basis that the group is a going concern.

By Order of the Board



Sanam Soufipour
Director

27 July 2018

Aurora Fashions Services Limited

Directors' Report

For the period 26 February 2017 to 24 February 2018

The directors present their report and the audited financial statements of Aurora Fashions Services Limited ("the Company") for the period from 26 February 2017 to 24 February 2018.

The Company is a member of Aurora Fashions Group Limited (together with its subsidiaries "the Aurora Group").

The current period relates to the 52 week period from 26 February 2017 to 24 February 2018. The prior period covers the 52 week period from 28 February 2016 to 25 February 2017.

Results and dividends

The Company's results are set out on page 8.

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

Political contributions

The Company made no political contributions during the period (2017: £nil).

Directors

The current Directors of the Company are listed on page 2.

Employees

Considerable importance is placed on communication, involvement and motivation of the employees and management of the Company. Two way communication ensures that employees are kept informed of the performance of the Company and of any key initiatives or projects, through regular briefings and bulletins.

The Company is committed to the continuing development of its employees and the implementation of policies that enable them to contribute to the performance and long term effectiveness of the organisation. Every opportunity is taken to reinforce our values throughout the business.

Equality of opportunity is encouraged irrespective of sex, marital status, colour, race, ethnic origin, nationality, religion, age or disability. The same opportunities are offered to disabled people as to all others in respect of recruitment and career advancement. Employees who become disabled will, wherever possible, be retained, rehabilitated and retrained.

Disclosure of information to auditor

The directors who held office at the date of approval of this report of the board confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

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

By Order of the Board



Sanam Soufipour
Director

27 July.....2018

Aurora Fashions Services Limited

Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and financial statements

For the period 26 February 2017 to 24 February 2018

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Independent auditor's report to the members of Aurora Fashions Services Limited

Opinion

We have audited the financial statements of Aurora Fashions Services Limited for the period ended 24 February 2018, which comprise the profit and loss accounts and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements :

- give a true and fair view of the state of the company's affairs as at 24 February 2018 and of its result for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial period is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.



Independent auditor's report to the members of Aurora Fashions Services Limited (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Russell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

6th August 2018

Chartered Accountants
Arlington Business Park, Theale, Reading,
RG7 4SD

Aurora Fashions Services Limited

Profit and loss account and other comprehensive income

For the period 26 February 2017 to 24 February 2018

		26 February 2017 to 24 February 2018	28 February 2016 to 25 February 2017
	Note	Total £m	Total £m
Turnover	2	-	2.0
Gross profit		-	2.0
Administrative expenses		-	-2.0
Profit before taxation		-	-
Tax on profit	7	-	-
Result for the financial year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

The notes on pages 11 to 15 also form part of these financial statements.

Aurora Fashions Services Limited

Balance sheet

As at 24 February 2018

	Note	24 February 2018 £m	25 February 2017 £m
Current assets			
Debtors	8	-	0.1
Cash at bank and in hand		<u>0.2</u>	<u>0.2</u>
		0.2	0.3
Creditors : amounts falling due within one year	9	<u>-0.2</u>	<u>-0.3</u>
Net current assets		-	-
Total assets less current liabilities		-	-
Creditors : amounts falling due after more than one year		<u>-</u>	<u>-</u>
Net assets		<u>-</u>	<u>-</u>
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account		<u>-</u>	<u>-</u>
Shareholders' funds		<u>-</u>	<u>-</u>

The notes on pages 11 to 15 also form part of these financial statements.

These financial statements were approved by the board of directors on 27 July 2018 and signed on its behalf by:



Sanam Soufipour
Director

Company registered number: 6818468 (England and Wales)

Aurora Fashions Services Limited

Statement of changes in equity

For the period 26 February 2017 to 24 February 2018

	Note	Called up share capital £m	Profit and loss account £m	Total equity £m
Balance at 28 February 2016		-	-	-
Result for the period		-	-	-
Balance at 25 February 2017		-	-	-

	Called up share capital £m	Profit and loss account £m	Total equity £m
Balance at 26 February 2017	-	-	-
Result for the period	-	-	-
Balance at 24 February 2018	-	-	-

The notes on pages 11 to 15 also form part of these financial statements.

Aurora Fashions Services Limited

Notes forming part of the financial statements

For the period 26 February 2017 to 24 February 2018

1. Accounting policies

Aurora Fashions Services Limited (the "Company") is a private company limited by shares which is incorporated, domiciled and registered in England and Wales. The registered number is 6818468 and the registered address is The Triangle, Stanton Harcourt Industrial Estate, Stanton Harcourt, Witney, Oxfordshire, OX29 5UT, UK.

1.1 Basis of Preparation - Accounting Convention

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £0.1m unless otherwise stated.

1.2 Compliance with accounting standards

The Company is 25% owned by each of the following Aurora Fashions Group subsidiaries; Oasis Fashions Limited, Warehouse Fashions Limited, Coast Fashions Limited, and Karen Millen Fashions Limited. It is included in the consolidated financial statements of Aurora Fashions Group Limited (7410878) which are publicly available. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Aurora Fashions Group Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1.8.

1.3 Measurement convention

The financial statements are prepared on the historical cost basis.

Aurora Fashions Services Limited

Notes forming part of the financial statements (continued)

For the period 26 February 2017 to 24 February 2018

1. Accounting policies (continued)

1.4 Basis of preparation - going concern

Aurora Fashions Group Limited is the holding company for the Aurora group of companies (the "Aurora Group"). Kaupthing ehf's holding of shares in Aurora Fashions Group Limited comprises 100% of all share capital by nominal value and 100% of the voting rights across all share capital.

The Company made a loss for the year of £0.0 million (2017: £0.0 million) and had net current net current liabilities of £0.0 million (2017: £0.0 million) and net liabilities of £0.0 million (2017: £0.0 million).

Notwithstanding this, the directors have prepared the financial statements on a going concern basis for the reasons set out below:

The directors have reviewed projected cash flows for the period covering at least 12 months from the approval of these financial statements (the "Projections"). The Projections are based on certain assumptions and show that the Aurora Group is capable of operating within the facilities currently available and complying with the covenant requirements for the full term covered by the Projections.

The directors of Aurora Fashions Group Limited have tested the impact of variations from the Projections by assessing the adequacy of the Aurora Group's funds under a combination of different scenarios constructed to reflect reasonably possible downside risks to the assumptions contained within the Projections. The directors recognise that in the current economic environment, the main risks relate to the achievability of the Aurora Group's forecast sales and margins and the timing of cash flows going forward. In such downside scenarios, the ability to continue to operate would be dependent on maintaining compliance with the financial covenants by implementing various cost saving initiatives within the timescales required. The directors consider that, in all reasonable downside scenarios, there are cost saving measures available to the Aurora Group to implement which would avoid breaching the terms of any financial covenant.

A letter of support has been given by Kaupthing ehf to the directors of Aurora Fashions Group Limited committing to provide continuing financial support to the Aurora Group to the extent necessary.

Given the facts and circumstances described above and after making enquiries, the directors have a reasonable expectation that the Company and the Aurora Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.5 Foreign currencies

The Company's functional and presentational currency is pound sterling. Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

1.6 Accounting estimates and judgements

The Company 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 accounting estimates believed to require the most difficult, subjective or complex judgements and which are the most critical to the reporting of results and financial positions are as follows:

- carrying value of deferred tax asset

Management review annually the recognition of any deferred tax asset to the extent that they are regarded as recoverable, on the basis of all available evidence it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.7 Turnover

Turnover relates to the provision of central administrative and support services, excluding value added tax. Turnover is recognised when the service is provided to the customer.

Aurora Fashions Services Limited

Notes forming part of the financial statements (continued)

For the period 26 February 2017 to 24 February 2018

1. Accounting policies (continued)

1.8 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or tax.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Turnover

Turnover relates to the provision of central administrative and support services to other Group companies and it is derived entirely in the UK.

3. Profit before taxation

Profit before taxation is stated after charging:

	26 February 2017 to 24 February 2018 £m	28 February 2016 to 25 February 2017 £m
Operating lease rentals - property	-	1.0

4. Expenses & Auditor's Remuneration

Included in the result of the Company are the following:

Auditor's remuneration

In the current and previous periods, the remuneration payable in relation to audit services for the Company of £2,517 (2017: £2,448) was borne by Oasis and Warehouse Limited, and included in the fees of the financial statements of Oasis Fashions Limited, Warehouse Fashions Limited, Coast Fashions Limited and Karen Millen Fashions Limited, which are fellow Group subsidiaries.

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of Aurora Fashions Group Limited.

Aurora Fashions Services Limited

Notes forming part of the financial statements (continued)

For the period 26 February 2017 to 24 February 2018

5. Staff numbers and costs

Apart from the directors, the Company had no employees during the period (2017: nil).

In the current and previous periods, staff providing shared administrative services to the Aurora Group as a whole were remunerated by Oasis and Warehouse Limited. As they receive no emoluments from the Company, their emoluments are dealt with in the financial statements of Oasis and Warehouse Limited.

6. Remuneration of directors

In the current and previous periods, the directors were remunerated by Oasis and Warehouse Limited, Coast Fashions Limited or Karen Millen Fashions Limited in respect of their services to a number of Companies within the Aurora Group. It is not possible to allocate a fair apportionment of these costs as services are provided to multiple entities. As the directors receive no emoluments from the Company their emoluments are dealt with in the financial statements of the above named companies.

7. Taxation

The company suffered no current or deferred tax in the current or prior year.

	26 February 2017 to 24 February 2018 £m	28 February 2016 to 25 February 2017 £m
UK corporation tax		
Current tax	<u>-</u>	<u>-</u>

All movements in current tax in the period are recognised through the Profit and loss account.

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 24 February 2018 has been calculated based on these rates.

There is an unrecognised deferred tax asset of £0.1 million (2017: £0.1 million) in respect of accelerated capital allowances, which has not been recognised for the Group due to uncertainty over its recoverability. This will be reassessed at each period end.

8. Debtors

	24 February 2018 £m	25 February 2017 £m
Trade debtors	<u>-</u>	<u>0.1</u>
Due within one year	-	0.1

9. Creditors: amounts falling due within one year

	24 February 2018 £m	25 February 2017 £m
Accruals and deferred income	<u>0.2</u>	<u>0.3</u>

10. Share capital

	24 February 2018 £m	25 February 2017 £m
Allotted, called up and fully paid: 100 Ordinary shares of £0.01	<u>-</u>	<u>-</u>

Holders of Ordinary shares are entitled to one vote in any circumstance per share held, and an equal share of dividends.

Aurora Fashions Services Limited

Notes forming part of the financial statements (continued)

For the period 26 February 2017 to 24 February 2018

11. Guarantees and other commitments

Certain companies within the Aurora Fashions Group, the 'banking subgroups' are party to the terms of a Senior Facilities Agreement (the "SFA") with Aurora Fashions Finance Limited ("AFFL"). The borrowers are Oasis and Warehouse Limited, Coast Debtco Limited and Karen Millen Holdings Limited. Each banking subgroup under the obligations of their SFA has a number of trading subsidiaries party to the SFA as Guarantors, the values of which are disclosed within the respective company accounts. Under the terms of the guarantee, an event of default in the Company or certain other companies in the sub group would mean that the lender, AFFL, has the ability to call on any of the other companies within the respective banking subgroup to step in to fulfil the obligations of that borrower/guarantor. An event of default could include an entity becoming insolvent. It should be noted that the call under the guarantee is on demand, and as such the demand is at the discretion of AFFL in its capacity as sole Lender.

Annual commitments under non-cancellable operating leases were as follows:

	24 February 2018 £m	25 February 2017 £m
Operating leases which expire:		
Within one year	0.3	0.3
Between two and five years	0.1	0.4
Over five years	-	0.1
	<u>0.4</u>	<u>0.8</u>

In the current and previous periods, operating lease charges of £0 million (2017: £1.0 million) in respect of the above lease commitments were recognised as an expense through the profit and loss accounts of fellow Aurora Group subsidiaries.

12. Related parties

The Company has a related party relationship with its directors, with the undertakings which form the Aurora Group and with its ultimate parent company, Kaupthing Bank hf.

The Company has taken advantage of the exemption in Financial Reporting Standard FRS 102 33.1A Related Parties Transactions not to disclose transactions with fellow wholly owned subsidiary undertakings of the group headed by Aurora Fashions Group Limited.

13. Immediate and ultimate parent company and parent undertaking of larger group

The Company is immediately jointly owned by Coast Fashions Limited (25%), Oasis Fashions Limited (25%), Warehouse Fashions Limited (25%) and Karen Millen Fashions Limited (25%), all of which are incorporated in England and Wales. Coast Fashions Limited, Oasis Fashions Limited, Warehouse Fashions Limited and Karen Millen Fashions Limited are indirectly wholly owned subsidiary undertakings of Aurora Fashions Group Limited.

The registered address of the above four companies is The Triangle, Stanton Harcourt Industrial Estate, Stanton Harcourt, Witney, Oxfordshire, OX29 5UT.

The ultimate parent company and ultimate controlling party is Kaupthing Bank hf., a company incorporated in Iceland.

The registered address of Kaupthing Bank hf. is Borgartun 26, IS-105 Reykjavik, Iceland.

The largest group in which the results of the Company are consolidated is that headed by Aurora Fashions Group Limited, incorporated in England and Wales. The consolidated financial statements of Aurora Fashions Group Limited are available from Aurora Fashions Group Limited, The Triangle, Stanton Harcourt Industrial Estate, Stanton Harcourt, Witney, Oxfordshire, OX29 5UT, UK.

14. Post balance sheet events

There are no significant post balance sheet events which affect the financial statements.