

Registered Number 07279467

## **Victoria's Secret UK Limited**

### **Directors' Report and Financial Statements**

**For the 52 Weeks Ended 28 January 2012**



# **Victoria's Secret UK Limited**

## **Corporate Information**

### **Directors**

James Leonard Bersani  
Timothy James Faber  
James Jeffrey Harris  
Jeffrey Scott Taylor  
Todd Gregory Helvie  
Luis Francisco Machado  
Douglas Leonard Williams

### **Auditors**

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

### **Registered Office**

100 New Bridge Street  
London  
EC4V 6JA

# Victoria's Secret UK Limited

## Directors' Report

**Registered Number: 07279467**

The directors present their report and financial statements of Victoria's Secret UK Limited ("the Company") for the 52 weeks ended 28 January 2012. These financial statements have been prepared under International Financial Reporting Standards as adopted by the European Union.

### Results and Dividends

The results for the period are set out on page 8. No dividend was declared or paid in the period.

### Principal Activities, Review of Business and Future Developments

The Company was incorporated on 9 June 2010 under the name of New Bond Street Properties Ltd. The Company changed its name to Victoria's Secret UK Limited on 8 July 2011. The Company's financial results for the 52 weeks ended 28 January 2012 are primarily related to a lease and associated costs of a retail space in London. The first two UK stores opened in summer 2012. The Company is a specialty retailer of women's intimate and other apparel, beauty and personal care products and accessories under the Victoria's Secret retail brand.

### Principal Risks and Uncertainties

The Company's business will be sensitive to a number of factors that influence the levels of consumer spending, including political and economic conditions such as recessionary environments, the levels of disposable consumer income, consumer debt, interest rates and consumer confidence. Declines in consumer spending could have a material adverse effect on the Company's operating results.

The principal risk that the Company will face is the ability to gauge the fashion tastes of its customers and to provide merchandise that satisfies customer demand in a timely manner. The Company must focus on its core business by creating the right product and store experience, retaining and developing the best talent and examining the organisational structure to ensure that it effectively supports the business and meets the customer needs. The Company will seek opportunities to maximise profitability and market share in the UK.

### Directors

James Leonard Bersani  
Timothy James Faber  
James Jeffrey Harris  
Jeffrey Scott Taylor  
Todd Gregory Helvie (appointed 11 July 2011)  
Brian Gregory Rogers (appointed 11 July 2011 and resigned 15 June 2012)  
Ralph Roland Jansen (appointed 11 July 2011 and resigned 22 June 2012)  
Luis Francisco Machado (appointed 11 July 2011)  
Douglas Leonard Williams (appointed 11 July 2011)

### Subsequent Event

Subsequent to 28 January 2012, the Company signed a lease agreement for another retail space in the UK and has opened its first two UK stores. In early 2012, the Company initiated dissolution of Victoria's Secret UK II, a subsidiary of the Company. The dissolution was finalised on 4 September 2012.

### Going Concern

The directors have ascertained that Limited Brands, Inc. intends and has the ability to continue its financial support to the Company (either directly or through another Limited Brands, Inc. company) for a period of 12 months from signing the statutory accounts. As of 28 January 2012, Limited Brands Inc., the ultimate parent company, had £594 million in cash and cash equivalents. Limited Brands Inc. is also profitable and has a strong net asset position. Therefore, the directors believe the Company is well placed to successfully manage business risks noted within the Principal Risks and Uncertainties section.

## Victoria's Secret UK Limited

### Disclosure of Information to Auditors

Each of the Company's directors at the date of the approval of this report confirms

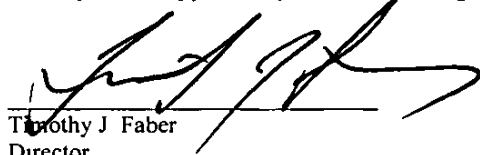
- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all steps that ought to have been taken as directors in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

### Auditors

A resolution to reappoint Ernst & Young LLP as the auditors will be put to the members at the annual general meeting

This report was approved by the board and signed on its behalf



Timothy J Faber  
Director  
16 October 2012

# **Victoria's Secret UK Limited**

## **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and the Company's financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare Company financial statements for each financial year. Under that law, the directors have elected to prepare Company financial statements under International Financial Reporting Standards ('IFRSs') as adopted by the European Union.

Under company law the directors must not approve the Company's financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the Company financial statements the directors are required to

- present fairly the financial position, financial performance and cash flows of the Company,
- select suitable accounting policies in accordance with IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and then apply them consistently,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- make judgments that are reasonable,
- provide additional disclosures when compliance with the specific requirements in IFRSs as adopted by the European Union is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the financial position of the Company's financial position and performance,
- state whether the Company financial statements have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements.

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 Company 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 or other irregularities.

## **Independent Auditor's Report to the Members of Victoria's Secret UK Limited**

We have audited the financial statements of Victoria's Secret UK Limited for the 52 weeks ended 28 January 2012 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities 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. 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 28 January 2012 and of its profit for the period then ended,
- ▶ have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters 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.

## **Independent Auditor's Report to the Members of Victoria's Secret UK Limited**

### **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



JI Gordon (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
16 October 2012

# Victoria's Secret UK Limited

Registered Number: 07279467

## STATEMENT OF COMPREHENSIVE INCOME

For the 52 weeks ended 28 January 2012

	Notes	52 weeks ended 28 January 2012 (£'000)	Period 9 June 2010 to 31 January 2011 (£'000)
Revenue		0	0
Cost of Sales		0	0
<b>Gross Profit</b>		0	0
Operating Expenses	3	1,036	(1,641)
<b>Operating Profit / (Loss)</b>		1,036	(1,641)
Finance Costs	5	(115)	0
<b>Profit / (Loss) before taxation</b>		921	(1,641)
Taxation on profit on ordinary activities	6	0	0
<b>Profit / (Loss) after taxation</b>		921	(1,641)

All transactions are derived entirely from continuing operations

The Notes on pages 12 to 21 form part of these financial statements



# Victoria's Secret UK Limited

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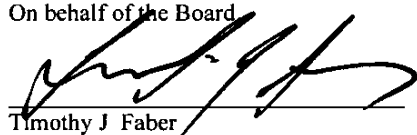
## STATEMENT OF FINANCIAL POSITION

As at 28 January 2012

	Notes	28 January 2012 (£'000)	31 January 2011 (£'000)
<b>Net Assets</b>			
Non-current Assets			
Investments	10	13,500	0
Intangible Assets	7	8,022	8,170
Long-term Deposit	8	3,378	3,378
Property, Plant and Equipment	9	10,532	285
Total Non-current Assets		35,432	11,833
Current Assets			
Cash and Cash Equivalents		0	1,548
Other Current Assets	11	30,608	299
Total Current Assets		30,608	1,847
Total Assets		66,040	13,680
Current Liabilities	12	(17,147)	(1,016)
Non-current Liabilities	13	(4,998)	(805)
Total Liabilities		(22,145)	(1,821)
<b>Net Assets</b>		<b>43,895</b>	<b>11,859</b>
<b>Equity</b>			
Share Capital	14	44,615	13,500
Profit and Loss Reserve		(720)	(1,641)
<b>Total Equity</b>		<b>43,895</b>	<b>11,859</b>

The Notes on pages 12 to 21 form part of these financial statements

On behalf of the Board



Timothy J Faber

Director

16 October 2012

## Victoria's Secret UK Limited

Registered Number. 07279467

### STATEMENT OF CHANGES IN EQUITY

For the 52 weeks ended 28 January 2012

	<b>Share Capital</b>	<b>Profit and Loss Reserve</b>	<b>Total</b>
		<b>(£'000)</b>	
<b>As of 9 June 2010</b>	0	0	0
Issuance of Shares	13,500	0	13,500
Loss for the Period	0	(1,641)	(1,641)
<b>As of 31 January 2011</b>	<u>13,500</u>	<u>(1,641)</u>	<u>11,859</u>
<b>As of 1 February 2011</b>	13,500	(1,641)	11,859
Issuance of Shares	31,115	0	31,115
Income for the Period	0	921	921
<b>As of 28 January 2012</b>	<u>44,615</u>	<u>(720)</u>	<u>43,895</u>

The Notes on pages 12 to 21 form part of these financial statements

# Victoria's Secret UK Limited

Registered Number: 07279467

## STATEMENT OF CASH FLOWS For the 52 weeks ended 28 January 2012

	Notes	52 weeks ended 28 January 2012 (£'000)	Period 9 June 2010 to 31 January 2011 (£'000)
<b>Operating Activities:</b>			
Operating Income / (Loss)	3	1,036	(1,641)
Amortisation	7	238	147
Increase in Long-term Deposit	8	0	(3,378)
Increase in Other Current Assets	11	(30,309)	(299)
Increase in Current Liabilities	12	16,131	1,016
Increase in Noncurrent Liabilities	13	4,193	805
Interest Paid	5	(115)	0
Net Cash Used for Operating Activities		<u>(8,826)</u>	<u>(3,350)</u>
<b>Investing Activities:</b>			
Investment in Subsidiaries	10	(13,500)	0
Purchase of Property, Plant, and Equipment	9	(10,247)	(285)
Key Money Paid	7	(90)	(8,317)
Net Cash Used for Investing Activities		<u>(23,837)</u>	<u>(8,602)</u>
<b>Financing Activities:</b>			
Issuance of Shares	14	<u>31,115</u>	<u>13,500</u>
Net Cash Provided by Financing Activities		<u>31,115</u>	<u>13,500</u>
Net (Decrease) / Increase in Cash and Cash Equivalents		(1,548)	1,548
Cash and Cash Equivalents at Beginning of Period		<u>1,548</u>	<u>0</u>
Cash and Cash Equivalents at End of Period		<u>0</u>	<u>1,548</u>

The Notes on pages 12 to 21 form part of these financial statements

# Victoria's Secret UK Limited

Registered Number 07279467

## NOTES TO THE FINANCIAL STATEMENTS

As of 28 January 2012

### 1 Corporate Information

The financial statements of Victoria's Secret UK Limited ("the Company") for the 52 weeks ended 28 January 2012 were authorised for issue in accordance with the resolution of the directors. The Company is a limited company incorporated and domiciled in the United Kingdom.

The Company's financial results for the 52 weeks ended 28 January 2012 primarily relate to leases and associated costs of retail space in London. The first two UK stores opened in summer 2012. The Company is a specialty retailer of women's intimate and other apparel, beauty and personal care products and accessories under the Victoria's Secret retail brand.

### 2. Accounting Policies

#### *Basis of Preparation*

The Company's financial statements have been prepared on a historical cost basis and in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union as they apply to the financial statements of the Company for the 52 weeks ended 28 January 2012.

The Company's financial statements are presented in British pounds and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated. The British pound is regarded as the Company's functional currency.

#### *Significant Accounting Judgments*

##### *Intangible Assets*

Intangible assets which represent key money payments are stated at cost net of amortisation and any provisions for impairment. Amortisation is provided on key money payments to write off the cost, less the estimated residual value, evenly over the life of the lease. Key money is reviewed for impairment annually. If events or changes in circumstances indicate that the carrying value may not be recoverable and this is written down immediately to its recoverable amount, it is charged in the Statement of Financial Position. Refer to Note 7.

##### *Impairment of Non-financial Assets*

The Company assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value, being a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated.

# **Victoria's Secret UK Limited**

**Registered Number. 07279467**

## **NOTES TO THE FINANCIAL STATEMENTS**

**As of 28 January 2012**

### *Impairment of Non-financial Assets*

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods. A reversal of impairment loss is recognised immediately in the Statement of Comprehensive Income. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less residual value, on a systematic basis over its remaining useful life.

### *Cash and Cash-Equivalents*

Cash and cash equivalents comprise cash held by the Company and short term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value.

### *Investment in Subsidiaries*

Investments held are stated at cost less provision for any permanent impairment in value. The carrying values are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. Refer to Note 10.

### *Long-term Deposit*

The long-term deposit is recognised at its transactional value, with an impairment review taking place at the reporting date. Refer to Note 8.

### *Property, Plant and Equipment*

Property, plant and equipment are recorded at cost, net of depreciation and any provision for impairment. Depreciation is provided on all plant and equipment at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss. Refer to Note 9.

### *Start-up Costs*

Start-up costs, including consulting and legal fees and other development phase costs, are expensed as incurred.

### *Operating Leases*

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Operating lease incentives are recognised as a reduction in the rental expense over the lease term. Refer to Note 15.

# **Victoria's Secret UK Limited**

**Registered Number 07279467**

## **NOTES TO THE FINANCIAL STATEMENTS**

**As of 28 January 2012**

### *Income Taxes*

Current tax assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities

Deferred income tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions

- Provision is made for deferred income tax that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as a receivable, and
- Deferred income tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred income tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise, income tax is recognised in the Statement of Comprehensive Income

Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of future tax planning strategies. Management has made a judgment that a deferred tax asset should not be recognised for the value of tax losses carried forward due to uncertainty regarding the level and timing of future taxable profits against which these losses can be utilised. Refer to Note 6

### *Foreign Currencies*

The financial statements of the Company are presented in the currency of the primary economic environment in which it operates (its functional currency). The results and financial position of the company are expressed in British pounds, which is the functional currency for the Company

Transactions in foreign currencies are translated into British pounds at the rate ruling on the date of the transaction. Exchange differences are recognised in the Statement of Comprehensive Income in the period in which they arise

# Victoria's Secret UK Limited

Registered Number: 07279467

## NOTES TO THE FINANCIAL STATEMENTS

As of 28 January 2012

### 3. Operating Income

The operating income is stated after charging

	52 weeks ended 28 January 2012	Period 9 June 2010 to 31 January 2011
	(£'000)	(£'000)
Rent and Leasing	(3,168)	(1,096)
Construction / Consulting / Legal / Other	(2,556)	(469)
Overhead / Operating	(1,349)	0
Payroll / Tax / Fringe Benefits	(428)	0
Travel	(148)	(76)
Reimbursement of Start-Up Costs	8,685	0
	<u>1,036</u>	<u>(1,641)</u>

The auditors' fees of £22,000 for the period were paid by Limited Brands, Inc , the parent company of Luxembourg (Overseas) Holdings S A R L

### 4. Employees

	52 weeks ended 28 January 2012	Period 9 June 2010 to 31 January 2011
	(£'000)	(£'000)
Staff costs during the year, excluding directors		
Wages and salaries	257	0
Social security costs / Other	<u>171</u>	<u>0</u>
	<u>428</u>	<u>0</u>

The average number of employees (excluding directors) in the year was

	52 weeks ended 28 January 2012	Period 9 June 2010 to 31 January 2011
	(No )	(No )
Administration	6	0
Store employees	<u>5</u>	<u>0</u>
	<u>11</u>	<u>0</u>

Directors' remuneration is paid by Limited Brands, Inc , the parent company of Luxembourg (Overseas) Holdings S a r l The company was not recharged the cost as it is negligible

# Victoria's Secret UK Limited

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## NOTES TO THE FINANCIAL STATEMENTS As of 28 January 2012

### 5. Finance Costs

	52 weeks ended 28 January 2012 (£'000)	Period 9 June 2010 to 31 January 2011 (£'000)
Interest on Related Party loans	115	0

### 6. Incomes Taxes

	52 weeks ended 28 January 2012 (£'000)
Taxes	0

#### *Factors affecting tax for the year*

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 26.3%. The differences are explained below

	52 weeks ended 28 January 2012 (£'000)	Period 9 June 2010 to 31 January 2011 (£'000)
Income / (Loss) on Ordinary Activities Before Tax	921	(1,641)
Income/ (Loss) on Ordinary Activities Multiplied by the Standard Rate of Corporation Tax in the UK of 26.3% (2010 – 28%)	242	(459)
Utilization of Tax Losses Carried Forward from Prior Years	(242)	459
Total Tax Reported in the Income Statement	0	0

#### *Deferred Income Taxes*

The Company has not recognised income tax expense or a related deferred tax liability related to the Company's income for the period. Management has made a judgment that a deferred tax asset should not be recognised for the value of taxable cumulative loss.

#### *Factors Affecting Future Tax Charges*

A number of changes to the UK corporation tax system were announced in the 23 March 2011 Budget Statement. The Finance Act 2011 included legislation to reduce the main rate of corporation tax to 25% from 1 April 2012. A further reduction to the main rate was substantively enacted on 26 March 2012 to reduce the rate from 1 April 2012 to 24%. These changes have not been substantively enacted at the balance sheet date and, therefore, have not been included in these financial statements.

Further reductions of 1% per annum to 22% by 1 April 2014 are expected.



# Victoria's Secret UK Limited

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## NOTES TO THE FINANCIAL STATEMENTS

As of 28 January 2012

### 7 Intangible Assets

	<u>(£'000)</u>
<b>Cost:</b>	
At 9 June 2010	0
Additions	<u>8,317</u>
At 31 January 2011	8,317
Additions	<u>90</u>
At 28 January 2012	<u>8,407</u>
<b>Accumulated Amortisation:</b>	
At 9 June 2010	0
Charge for the year	<u>147</u>
At 31 January 2011	147
Charge for the year	<u>238</u>
At 28 January 2012	<u>385</u>
<b>Carrying amount</b>	
At 31 January 2011	<u>8,170</u>
At 28 January 2012	<u>8,022</u>

Landlord payments are capitalized and shown as rent expense over the term of the lease agreement to 30 June 2045

### 8 Long-term Deposit

	<u>(£'000)</u>
At 9 June 2010	0
Additions	<u>3,378</u>
At 31 January 2011 and 28 January 2012	<u>3,378</u>

The Company's long-term deposit is related to a property lease which is repayable on 18 June 2015



# Victoria's Secret UK Limited

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## NOTES TO THE FINANCIAL STATEMENTS As of 28 January 2012

### 9 Property, Plant and Equipment

	<b>Construction in Process (£'000)</b>
Cost	
At 9 June 2010	0
Additions	<u>285</u>
At 31 January 2011	285
Additions	<u>10,247</u>
At 28 January 2012	<u>10,532</u>

The Company had no depreciation for the 52 weeks ended 28 January 2012

### 10. Investment in Subsidiaries

	<b>28 January 2012 (£'000)</b>	<b>31 January 2011 (£'000)</b>
Investment in Victoria's Secret UK II	<u>13,500</u>	<u>0</u>
	<u>13,500</u>	<u>0</u>

### 11. Other Current Assets

	<b>28 January 2012 (£'000)</b>	<b>31 January 2011 (£'000)</b>
Amounts owed by group undertakings	27,699	0
Construction allowance receivable	1,619	0
VAT receivable	1,290	69
Prepayments	<u>0</u>	<u>230</u>
	<u>30,608</u>	<u>299</u>

# Victoria's Secret UK Limited

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## NOTES TO THE FINANCIAL STATEMENTS As of 28 January 2012

### 12 Current Liabilities

	<b>28 January 2012</b>	<b>31 January 2011</b>
	<b>(£'000)</b>	<b>(£'000)</b>
Amounts owed to group undertakings	16,792	817
Trade payables	42	0
Other taxes and social security	8	0
Accruals	<u>305</u>	<u>199</u>
	<u>17,147</u>	<u>1,016</u>

### 13. Non-current Liabilities

	<b>28 January 2012</b>	<b>31 January 2011</b>
	<b>(£'000)</b>	<b>(£'000)</b>
Accruals	<u>4,998</u>	<u>805</u>
	<u>4,998</u>	<u>805</u>

### 14. Share Capital

	<b>28 January 2012</b>	<b>31 January 2011</b>
	<b>(£'000)</b>	<b>(£'000)</b>
<b>Authorised*</b>		
2011 – 44,615,000 (2010 – 13,500,000) ordinary shares of par value £1 each	<u>44,615</u>	<u>13,500</u>
<b>Issued and fully paid*</b>	<u>44,615</u>	<u>13,500</u>

# Victoria's Secret UK Limited

Registered Number: 07279467

## NOTES TO THE FINANCIAL STATEMENTS

As of 28 January 2012

### 15 Operating Lease Arrangements

	28 January 2012	31 January 2011
	(£'000)	(£'000)
Minimum lease payments under operating leases recognised as an expense in the period	3,036	1,778

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods

	28 January 2012	31 January 2011
	(£'000)	(£'000)
Not later than one year	2,888	0
Later than one year and not later than five years	15,340	11,021
Later than five years	87,240	84,573
	105,468	95,594

The Company had £101,000 in subtenant income for the 52 weeks ended 28 January 2012 and £825,000 in subtenant income for the period 9 June 2010 to 31 January 2011

### 16. Related Party Transactions

During the period, the Company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 28 January 2012 with other related parties, are as follows

	Sales to Related Party	Purchases from Related Party	Amounts owed by Related Party	Amounts owed to Related Party
	(£'000)	(£'000)	(£'000)	(£'000)
<i>Related Party</i>				
Entities with significant influence over the Company				
2011	0	0	0	0
2010	0	0	0	0
Associates				
2011	0	0	27,699	16,792
2010	0	0	0	817

#### *Entities with significant influence over the Group*

Luxembourg Overseas Holdings S A R L owns 100% of the ordinary shares in Victoria's Secret UK Limited

# **Victoria's Secret UK Limited**

**Registered Number: 07279467**

## **NOTES TO THE FINANCIAL STATEMENTS**

**As of 28 January 2012**

*Note 16 (continued) Terms and conditions of transactions with related parties*

Outstanding balances with entities other than subsidiaries are unsecured, interest free and cash settlement is expected within 30 days of invoice. The Company has not provided or benefited from any guarantees for any related party receivables or payables. During the period ended 28 January 2012, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (2011: nil).

### **17. Ultimate Parent Company**

The Company's parent company is Luxembourg (Overseas) Holdings S a r l , a wholly-owned subsidiary of Limited Brands, Inc. Limited Brands, Inc., the ultimate parent company and controlling entity and the only company to prepare consolidated financial statements, is incorporated and registered in the United States of America. The financial statements of the ultimate parent company may be obtained by writing to the Limited Brands, Inc., Three Limited Parkway, P O Box 16000, Columbus, OH 43216 USA.

### **18. Subsequent Event**

Subsequent to 28 January 2012, the Company signed a lease agreement for another retail space in the UK and has opened its first two UK stores. In early 2012, the Company initiated dissolution of Victoria's Secret UK II, a subsidiary of the Company. The dissolution was finalised on 4 September 2012.

