

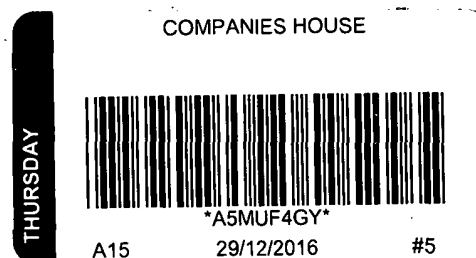
Cath Kidston EBT Limited

Annual Report and Financial Statements

For the 52 week period ended

27 March 2016

Company Number 07548914



Cath Kidston EBT Limited

Annual Report and Financial Statements For the 52 weeks ended 27 March 2016

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Directors

N Harrington
W Flanz
K Abolote

Registered office

Frestonia,
125-135 Freston Road,
London,
W10 6TH

Company number

07548914

Auditor

Deloitte LLP,
Chartered Accountants and Statutory Auditors
2 New Street Square,
London,
United Kingdom
EC4A 3BZ

Cath Kidston EBT Limited

Directors' report For the 52 weeks ended 27 March 2016

The directors present their annual report together with the audited financial statements for the 52 weeks ended 27 March 2016.

This report has been prepared in accordance with the provisions of Part 15, s417 (1) of the Companies Act 2006 relating to small companies. No strategic report has been presented as the entity qualifies as a small company under s383 of the Companies Act 2006 and is therefore exempt.

Results and dividends

The profit and loss account is set out on page 5 and shows the result for the period.

No dividend was paid or proposed during the year (2015: £nil).

Principal Activities

The principal activity of the company is the acquisition of shares held by former employees with monies borrowed through Cath Kidston Limited and sold back to existing employees as directed by the Directors.

Directors

The directors of the company during the period and since the period end were:

N Harrington
P Mason (resigned 19th September 2016)
W Flanz (appointed 31st October 2016)
K Abolote (appointed 31st October 2016)

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the report of the directors 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Cath Kidston EBT Limited

Report to the directors (*continued*) For the 52 weeks ended 27 March 2016

Directors' indemnities

The company has made qualifying third party indemnity provision for the benefit of its directors which were made during the year and remain in force at the date of this report.

Going concern

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

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

Auditor

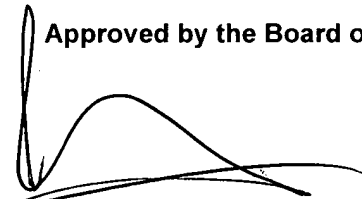
Each of the persons who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP has expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Approved by the Board of Directors and signed on behalf of the Board:



N Harrington

Director

23 December 2016

Cath Kidston EBT Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATH KIDSTON EBT LIMITED

We have audited the financial statements of Cath Kidston EBT Limited for the 52 weeks ended 27 March 2016 which comprise the Profit and Loss Account, Statement of Comprehensive Income, the Balance Sheet, Statement of Changes in Equity and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard 101 "Reduced Disclosure Framework".

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 Directors' Responsibilities Statement, 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 27 March 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework"; 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, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

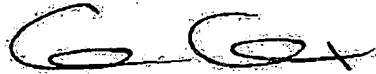
Cath Kidston EBT Limited

Independent auditor's report (continued)

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; and
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report and in preparing the Directors' report.



Emma Cox BA, ACA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
23 December 2016

Cath Kidston EBT Limited

Profit and loss account For the 52 weeks ended 27 March 2016

	Note	2016 £000	2015 £000
Distribution and Administration Costs		-	(33)
Operating result/(loss)		-	(33)
Interest receivable	4	1	-
Interest payable and similar charges	5	(2)	-
Loss before tax		(1)	(33)
Tax	6	-	-
Loss for the year from continuing operations		(1)	(33)
Loss for the year	3	(1)	(33)

Revenue and operating loss are all derived from continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

Cath Kidston EBT Limited

Statement of comprehensive income For the 52 weeks ended 27 March 2016

	Note	2016 £000	2015 £000
Loss for the year		<u>(1)</u>	<u>(33)</u>
Items that will not be reclassified subsequently to profit or loss:			
Income tax relating to items that will not be reclassified subsequently to profit or loss		-	-
		<u>(1)</u>	<u>(33)</u>
Items that may be reclassified subsequently to profit or loss:			
Income tax relating to items that may be reclassified subsequently to profit or loss		-	-
		<u>(1)</u>	<u>(33)</u>
Other comprehensive loss for the year net of tax		<u>(1)</u>	<u>(33)</u>
Total comprehensive loss for the year		<u>(1)</u>	<u>(33)</u>

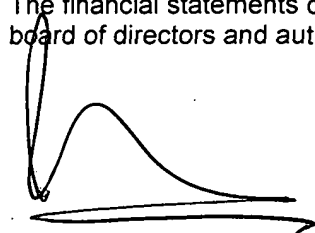
The notes on pages 9 to 14 form part of these financial statements.

Cath Kidston EBT Limited

Balance sheet As at 27 March 2016

	Note	2016 £000	2015 £000
Current assets			
Trade and other receivables	7	29	28
		<u>29</u>	<u>28</u>
Total assets		<u>29</u>	<u>28</u>
Non-current liabilities			
Trade and other payables	8	(64)	(62)
		<u>(64)</u>	<u>(62)</u>
Total liabilities		<u>(64)</u>	<u>(62)</u>
Net liabilities		<u>(35)</u>	<u>(34)</u>
Equity			
Called up share capital	9	-	-
Retained earnings	10	(35)	(34)
Total equity		<u>(35)</u>	<u>(34)</u>

The financial statements of Cath Kidston EBT Limited (registered number 07548914) were approved by the board of directors and authorised for issue on 23 December 2016. They were signed on its behalf by:



N. Harrington
Director

The notes on pages 9 to 14 form part of these financial statements.

Cath Kidston EBT Limited

Statement of changes in equity As at 27 March 2016

	Share Capital £000	Retained earnings £000	Total Equity £000
Balance at 30 March 2014	-	(1)	(1)
Effect of change in accounting policy for FRS 101 Transition	-	-	-
As restated	-	(1)	(1)
Loss for the period	-	(33)	(33)
Other comprehensive income for the period	-	-	-
Total comprehensive loss for the period	-	(34)	(34)
Balance at 29 March 2016	-	(34)	(34)
Loss for the period	-	(1)	(1)
Other comprehensive loss for the period	-	-	-
Total comprehensive loss for the period	-	(35)	(35)
Balance at 27 March 2016	-	(35)	(35)

The notes on pages 9 to 14 form part of these financial statements.

Cath Kidston EBT Limited

Notes to the financial statements For the 52 weeks ended 27 March 2016

1 Accounting Policies

Cath Kidston EBT Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on the contents page. The nature of the company's operations and its principal activities are set out in the directors' report on page 1.

These financial statements are presented in pound sterling because that is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group financial statements of Cath Kidston Group Limited. The group accounts of Cath Kidston Group Limited are available to the public and can be obtained from Companies House.

The Company has applied FRS 101 'Reduced Disclosure Framework' incorporating the Amendments to FRS 101 issued by the FRC in July 2015 and the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 prior to their mandatory effective date of accounting periods beginning on or after 1 January 2016.

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of a cash-flow statement and certain related party transactions.

Where required, equivalent disclosures are given in the group financial statements.

The financial statements have been prepared on the historical cost basis.

Basis of accounting

The Company meets the definition of a qualifying entity under Financial Reporting Standard 101 (FRS 101) issued by the Financial Reporting Council. Accordingly, in the year ended 27 March 2016 the Company has changed its accounting framework from pre-2015 UK GAAP to FRS 101 and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. These financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework'.

The prior year financial statements were restated on adoption of FRS 101 in the current year. There were no material adjustments on transition, For more information see note 15.

The financial statements have been prepared under the historical cost convention, except for financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis.

Cath Kidston EBT Limited

Notes to the financial statements (*continued*) For the 52 weeks ended 27 March 2016

1. Accounting Policies (*continued*)

Basis of accounting (*continued*)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

Going concern

During the period, the company made a loss of £1,000 (2015: loss of £33,000) and the balance sheet shows net liabilities of £35,000 (2015: £34,000). The company is reliant on the support of its immediate parent Company, Cath Kidston Group Limited to be able to meet its liabilities as they fall due. The directors have considered the situation and the letter of support received from its parent company and have concluded that it is appropriate to prepare the financial statements on the going concern basis. This is due to the trading company within the group being profitable and cash generative, and due to the group operating within its loan facilities available. In addition, the directors have considered the group's cash flow forecasts and have considered that there will be sufficient resources available to meet the group's liabilities as they fall due.

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Cath Kidston EBT Limited

Notes to the financial statements (*continued*) For the 52 weeks ended 27 March 2016

1. Accounting Policies (*continued*)

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

Financial liabilities are classified as 'other financial liabilities'.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cash-flow statement, standards not yet effective, and related party transactions. Where required, equivalent disclosures are given in the group accounts of Cath Kidston Group Limited. The group accounts of Cath Kidston Group Limited are available to the public and can be obtained from the Companies House.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Cath Kidston EBT Limited

Notes to the financial statements (*continued*) For the 52 weeks ended 27 March 2016

2 Critical accounting judgement and key sources of estimation uncertainty

The directors consider there to be no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Loss for the year

The company's audit fee of £2,000 is borne by Cath Kidston Limited (2015: £2,000). There are no employees in this company other than executive directors (2015: nil). Directors' remuneration is borne by the group company.

4 Investment revenue

	2016 £000	2015 £000
Interest revenue		
Interest on group loans	1	-
Total interest revenue	<u>1</u>	<u>-</u>

5 Finance costs

	2016 £000	2015 £000
Interest payable		
Interest on group loans	2	-
	<u>2</u>	<u>-</u>

6 Tax

	2016 £000	2015 £000
Current tax:		
UK corporation tax	-	-
Deferred tax:		
Origination and reversal of timing differences	-	-
Deferred tax	-	-
Total current tax	<u>-</u>	<u>-</u>

Corporation tax is calculated at 20% (2015: 21%) of the estimated taxable profit for the year.

The charge for the year can be reconciled to the loss in the profit and loss account in the income statement as follows:

Cath Kidston EBT Limited

Notes to the financial statements (*continued*) For the 52 weeks ended 27 March 2016

6 Tax (continued)

	2016 £000	2015 £000
Loss before tax on continuing operations	(1)	(33)
Tax at the UK corporation rate of 20% (2015: 21%)	-	(7)
Effects of:		
Expenses not deductible for tax purposes	-	7
Tax expense for the year	-	-

No amounts relating to tax have been recognised in other comprehensive income.

7 Trade and other receivables

	2016 £000	2015 £000
Amounts owed by group undertakings	29	28
	<u>29</u>	<u>28</u>

8 Trade and other payables

	2016 £000	2015 £000
Accruals	1	1
Amounts owed to subsidiary undertakings	63	61
	<u>64</u>	<u>62</u>

All trade and other payables fall due within one year.

9 Called up Share Capital

	2016 Number	2015 Number	2016 £000	2015 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>

Cath Kidston EBT Limited

Notes to the financial statements (*continued*) For the 52 weeks ended 27 March 2016

10 Other Reserves

The Company's other reserves are £(35,000) as at 27 March 2016.

The profit and loss reserves represents cumulative profits or losses.

11 Contingent liabilities

There are no contingent liabilities.

12 Subsequent events

There have been no events subsequent to the reporting date requiring amendment or disclosure.

13 Related party transactions

The company has taken advantage of the exemption allowed by FRS 101 "Reduced Disclosure Framework", not to disclose any transactions with wholly owned entities that are included in the consolidated financial statements of Cath Kidston Group Limited. There were no other related party transactions.

14 Controlling party

At 27 March 2016 the company's ultimate parent company was Cath Kidston Group Limited which is the parent of both the smallest and largest groups of which the company is a member. Copies of the consolidated financial statements of Cath Kidston Group Limited are available from Companies House. The ultimate controlling party is Baring Private Equity Asia V Holding (18) Limited ("Baring Asia").

15 Transitioning from old UK GAAP to FRS 101

Explanation of transition to FRS 101

This is the first year that the Company has presented its financial statements under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. The last financial statements under a previous GAAP (UK GAAP) were for the year ended 30 March 2014 and the date of transition to FRS 101 was therefore 31 March 2014.

This transition is not considered to have had a material effect on the financial statements.