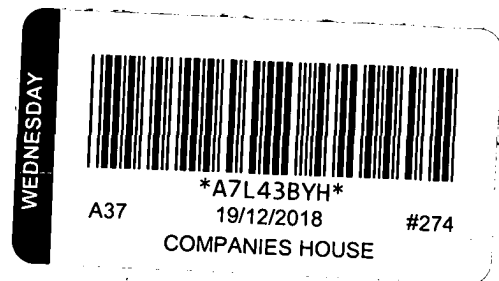


Canada Goose Services Limited
Annual Report and Financial Statements
for the year ended 31 March 2018

Registered number: 09601223



Canada Goose Services Limited

For the year ended 31 March 2018

Contents	Page
Officers and professional advisors	2
Strategic report	3
Director's report	4
Independent auditor's report	6
Statement of total comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11

Canada Goose Services Limited

For the year ended 31 March 2018

OFFICERS AND PROFESSIONAL ADVISORS

Director: Mr. Raoul Jean-Marc Sidney Huët

Company Registration Number: 09601223

Registered Office: Devonshire House
Mayfair Place
London, England
W1J 8AJ

Auditor: Deloitte LLP
Statutory Auditor
London, England

Bankers: HSBC Bank plc
8 Canada Square
London, England
E14 5HQ

Canada Goose Services Limited

For the year ended 31 March 2018

STRATEGIC REPORT

The director presents his Strategic Report for Canada Goose Services Limited (the 'Company').

The principal activity of the Company during the year was supplying marketing, sales support and raw material sourcing services for Canada Goose Holdings Inc group companies outside of North America.

Business review and future developments

During the year the Company has established a branch in Hong Kong, China which has started to supply sales support and raw material sourcing services in Asia to group companies outside of North America. The Canada Goose brand awareness has increased and continues to grow internationally. By the end of the year, the Company has better established itself in the Asian market, where it plans to continue to grow its business. Due to its relative materiality within the group of companies, KPIs are not considered relevant in managing the result of the Company.

After the balance sheet date, the Company's branch in France has entered into a long-term lease commitment for a new showroom in Paris. The position of the Company's business at the end of the year is as disclosed on the balance sheet.

Principal risks and uncertainties

The director considers the principal risks and uncertainties faced by the Company to be the general market conditions outside North America in the premium outdoor apparel sector. The Company's success is dependent on the performance of the Canada Goose group companies trading outside of North America. Performance of these group companies and risk exposures are managed and mitigated on a group level.

The director considers the risk and uncertainty related to Britain's referendum to leave the European Union (better known as 'Brexit') by the end of March 2019 as having a limited impact on the Company's operations. The main concern is how trade of services between Britain and the EU would be affected if negotiations with the European Union do not result in a trade deal. The Company is continually monitoring the situation and is making plans to mitigate the possible negative effects of the lack of a trade deal between Britain and the EU.

The Company's activities in various locations expose it primarily to the financial risks of changes in foreign currency exchange rates as discussed within the accounting policies.

Financial risk management objectives and policies

Liquidity risk:

The Company manages its cash requirements to ensure that it has sufficient liquid resources to meet the operating needs of the business through the support of group companies.

Equal opportunity

The Company is committed to equal opportunities in employment. The policies and practices of the Company aim to promote an environment that is free from all forms of unlawful or unfair discrimination and values the diversity of all people.

This report was approved and signed by the sole director on 14 December 2018.


Raoul Jean-Marc Sidney Huët

Director

Canada Goose Services Limited

For the year ended 31 March 2018

DIRECTOR'S REPORT

The director presents his annual report and audited financial statements for the year ended 31 March 2018.

Incorporation and branches

The Company was incorporated as a private company in the United Kingdom on 20 May 2015 with registration number 09601223. The Company established a branch in Paris, France on 10 December 2015. The Company established a branch in Zug, Switzerland on 31 October 2016. The Company established a branch in Hong Kong, China on 15 May 2017.

Principal activities

The principal activity of the Company is to supply marketing and sales support services and raw material sourcing to group companies outside North America. Future developments and principal risks and uncertainties are discussed within the Strategic Report. Post balance sheet events are disclosed in note 14 to the financial statements.

Going concern

At the balance sheet date the Company has net current liabilities. The Director is of the opinion that the shareholder of the Company will continue to support it and provide adequate funding when necessary to enable it to meet its obligations for the foreseeable future, having obtained a letter of support, for a period of at least twelve months for the date of approval of the financial statements.

Directors

The directors who served the Company during the year and up to the date of signing of this report are as follows:

Ms. Miray Topay - resigned on 7 February 2018

Mr. Raoul Jean-Marc Sidney Huët – appointed on 7 February 2018

Results and dividends

The Company's profit for the financial year was £162,005 (2017: £82,060).

No dividends were proposed, declared or paid during the year or to the date of this report.

Director's Responsibilities Statement

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 director is required to:

- select suitable accounting policies and then apply them consistently;
 - make judgments 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.
-

Canada Goose Services Limited

For the year ended 31 March 2018

DIRECTOR'S REPORT (continued)

Director's Responsibilities Statement (continued)

The director is 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. He is 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.

Disclosure of information to the auditor

The Director who held office at the date of approval of this Director's Report confirms that, so far as he 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 ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

This report was approved and signed by the sole director on 14 December 2018.



Raoul Jean-Marc Sidney Huët
Director

Canada Goose Services Limited

For the year ended 31 March 2018

Independent auditor's report to the members of Canada Goose Services Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Canada Goose Services Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of total comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Canada Goose International Holdings Limited

For the year ended 31 March 2018

Independent auditor's report to the members of Canada Goose International Holdings Limited (continued)

Responsibilities of directors

As explained more fully in the director's 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions 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 strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's 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 strategic report or the director's report.

Matters on which we are required to report by exception

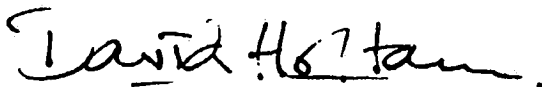
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 director remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

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.



David Holtam (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

Date: 14 Dec 2018

Canada Goose Services Limited

Statement of total comprehensive income For the year ended 31 March 2018

	Note	2018 £	2017 £
Turnover	4	4,797,762	2,049,147
Gross profit		4,797,762	2,049,147
Administrative expenses		(4,567,919)	(1,946,230)
Operating profit		229,843	102,917
Interest payable and similar expenses		(9,344)	-
Profit before taxation		220,499	102,917
Tax on profit	8	(58,494)	(20,857)
Profit for the financial year	5	162,005	82,060
Comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of net defined benefit liability		3,139	-
Tax relating to components of other comprehensive income	8	(458)	-
Items that may be reclassified subsequently to profit or loss:			
Translation of foreign operations		11,155	2,083
Other comprehensive income for the year net of tax		13,836	2,083
Total comprehensive income for the year attributable to the owners of the Company		175,841	84,143

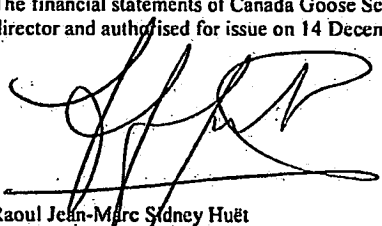
Turnover and operating profit are all derived from continuing operations.

Canada Goose Services Limited

Balance sheet As at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	9	338,251	149,027
Current assets			
Debtors	10	514,122	787,195
Cash at bank and in hand		627,013	560,537
Total current assets		1,141,135	1,347,732
Creditors: Amounts falling due within one year	11	(1,215,234)	(1,408,448)
Net current liabilities		(74,099)	(60,716)
Total assets less current liabilities		264,152	88,311
Net assets		264,152	88,311
Capital and reserves			
Called up share capital	12	100	100
Translation reserve		13,238	2,083
Profit and loss account		250,814	86,128
		264,152	88,311

The financial statements of Canada Goose Services Limited (registered number 09601223) were approved by the sole director and authorised for issue on 14 December 2018.


Raoul Jean-Marc Sidney Huët
Director

Canada Goose Services Limited

Statement of changes in equity For the year ended 31 March 2018

	Share capital £	Translation reserve £	Profit and loss account £	Total £
Balance at 01 April 2016	100	-	4,068	4,168
Profit for the financial year	-	-	82,060	82,060
Translation of foreign operations	-	2,083	-	2,083
Total comprehensive income	-	2,083	82,060	84,143
Balance at 31 March 2018	100	2,083	86,128	88,311
Profit for the financial year	-	-	162,005	162,005
Translation of foreign operations	-	11,155	-	11,155
Remeasurement of net defined benefit liability	-	-	3,139	3,139
Tax relating to items of other comprehensive income	-	-	(458)	(458)
Total comprehensive income	-	11,155	164,686	175,841
Balance at 31 March 2018	100	13,238	250,814	264,152

Canada Goose Services Limited

Notes to the financial statements For the year ended 31 March 2018

1. General information

Canada Goose Services Limited (the Company) is a private Company, limited by shares, incorporated in the United Kingdom and registered in England under the Companies Act 2006. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 3.

These financial statements are presented in pounds sterling as the Company is registered in the UK. The functional currency of the London and Paris branch is Euros (2017: Euros) while the functional currency of the Zug branch is Swiss franc (2017: Swiss franc) and the functional currency of the Hong Kong branch is the Hong Kong dollar as these are the currencies of the primary economic environment in which each branch of the Company operates.

These financial statements are stand-alone financial statements. The Company is included in the group financial statements of Canada Goose Holdings Inc. The group financial statements of Canada Goose Holdings Inc. are available to the public and can be obtained as set out in note 15.

Credit Suisse AG (Cayman Islands branch) and Canadian Imperial Bank of Commerce hold fixed and floating charges over the assets of the Company.

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC).

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, standards not yet effective, capital management, presentation of a cash-flow statement and related party transactions.

2. Significant accounting policies

Basis of accounting

The financial statements have been prepared on the historical cost basis except for defined benefit pension liabilities which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services at the time of the transaction.

Adoption of new and revised Standards

Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current period

In the current period, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2017. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 12 <i>Income Taxes</i>	<p>The Company has adopted the amendments to IAS 12 <i>Income Taxes</i> for the first time in the current period. The amendments clarify the following aspects:</p> <ul style="list-style-type: none">--Unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use.--The carrying amount of an asset does not limit the estimation of probable future taxable profits.--Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences.--An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax-law restricts the utilisation of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type. <p>The adoption of these amendments has not resulted in any impact on the financial performance or financial position of the Company.</p>
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Canada Goose Services Limited

Notes to the financial statements (continued) For the year ended 31 March 2018

2. Significant accounting policies (continued)

Adoption of new and revised Standards (continued)

Amendments to IAS 7 <i>Statement of Cash Flows</i>	<p>The Company has adopted the amendments to IAS 7 <i>Statement of Cash Flows</i> for the first time in the current period. The amendments clarify that an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.</p> <p>The adoption of these amendments has not resulted in any impact on the financial performance or financial position of the Company.</p>
Amendments to IFRS 12	<p>The Company has adopted the amendments to IFRS 12 for the first time in the current period. The amendments clarify the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraph B10-B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>.</p> <p>The adoption of these amendments has not resulted in any impact on the financial performance or financial position of the Company.</p>

Going concern

The financial statements have been prepared using the going concern basis of accounting. At the balance sheet date the Company has net current liabilities as a result of amounts owed to other group companies. The Director is of the opinion that the shareholder of the Company will continue to support it and provide adequate funding when necessary to enable it to meet its obligations for the foreseeable future, having obtained a letter of support, for a period of at least twelve months for the date of approval of the financial statements.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Leases

All leases are classified as operating leases.

The Company as lessee

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Foreign currencies

The financial statements are presented in pounds sterling as the Company is registered in the UK. Each branch of the Company has its own functional currency due to the fact that they operate in their own primary economic environment and use the main currency underlying the financing and management of its operations.

Canada Goose Services Limited

Notes to the financial statements (continued) For the year ended 31 March 2018

2. Significant accounting policies (continued)

Foreign currencies (continued)

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise except for those recorded in the translation reserve.

Translation reserve

The assets and liabilities of foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used.

Exchange differences relating to the translation of the net assets of foreign branch operations from their functional currency to the functional currency of the Company are recognised in other comprehensive income and accumulated in the translation reserve.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Canada Goose Services Limited

Notes to the financial statements (continued) For the year ended 31 March 2018

2. Significant accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Leasehold improvements	10% - 20 %
Fixtures and fittings	20% - 33.3%
Computer and office equipment	20% - 33.3%
Show displays	33.3% - 50%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

A tangible fixed asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Impairment of tangible fixed assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Loans and receivables

Trade debtors, loans, and other debtors 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.

Other financial liabilities

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

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Canada Goose Services Limited

Notes to the financial statements (continued) For the year ended 31 March 2018

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

As of the balance sheet date, there are no revisions necessary to the accounting estimates in this annual report. The director does not consider there to be any key judgments or estimation uncertainty which are critical in applying the Company's accounting policies.

4. Turnover

	2018 £	2017 £
Continuing operations		
Management fees for services – United Kingdom	1,633,651	1,247,646
Management fees for services – other countries	3,164,111	801,501
Turnover	4,797,762	2,049,147

5. Profit for the financial year

Profit for the year has been arrived at after (crediting)/charging:

	2018 £	2017 £
Net foreign exchange losses/(gains)	20,277	(1,771)
Depreciation of tangible fixed assets	269,206	90,036
Loss on disposal of tangible fixed assets	-	44,060
Staff costs (see note 7)	2,230,366	445,239

6. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual financial statements were £22,500 (2017: £21,250).

Fees payable to Deloitte LLP and their associates for non-audit services to the Company are not required to be disclosed because the consolidated financial statements of the parent Company are required to disclose such fees on a consolidated basis.

Canada Goose Services Limited

Notes to the financial statements (continued) For the year ended 31 March 2018

7. Staff costs

The average monthly number of employees (including executive directors) was:

	2018 Number	2017 Number
Marketing and sales staff (permanent or temporary)	24.8	4.6

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	1,749,651	372,649
Social security costs	409,624	62,186
Defined benefit pension costs	66,879	-
Defined contribution pension costs	4,212	10,404
	<u>2,230,366</u>	<u>445,239</u>

The Director is remunerated by another group company. No amount of the CAD \$190,148 total remuneration is recharged or attributable for qualifying services provided.

8. Tax

	2018 £	2017 £
Corporation tax charge:		
UK corporation tax	18,317	13,848
Double tax relief	-	(1,752)
Foreign tax	40,177	8,761
Tax on profit	<u>58,494</u>	<u>20,857</u>

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised in other comprehensive income:

	2018 £	2017 £
Deferred tax:		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of net defined benefit liability	458	-
	<u>458</u>	<u>-</u>

Canada Goose Services Limited

Notes to the financial statements (continued) For the year ended 31 March 2018

8. Tax (continued)

Corporation tax is calculated at 19% of the estimated taxable profit for the year. Finance Act 2016, which was substantively enacted in September 2016, included provisions to reduce the rate of corporation tax to 17% with effect from 1 April 2020, and Finance Act 2015 (No.2) included provisions to reduce the rate of corporation tax to 19% with effect from 1 April 2017. This will reduce the future corporation tax charges incurred by the Company.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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

	2018 £	2017 £
Profit before tax	220,499	102,917
Tax at the UK corporation tax rate of 19% (2017: 20%)	41,895	20,583
Unrecognised deferred tax	-	(1,553)
Expenses not deductible for tax purposes	208	80
Double taxation relief	-	(1,752)
Effect of different tax rates of operations in other jurisdictions	16,391	3,499
Tax expense for the year	58,494	20,857

9. Tangible fixed assets

	Leasehold improve- ments £	Fixtures and fittings £	Computer and office equipment £	Show displays £	Total £
Cost					
At 01 April 2017	3,093	6,706	7,668	218,634	236,101
Additions	-	-	5,705	456,102	461,807
Disposals	-	-	-	-	-
Foreign exchange	(21)	192	414	4,768	5,353
At 31 March 2018	3,072	6,898	13,787	679,504	703,261
Accumulated depreciation					
At 01 April 2017	(773)	(637)	(1,491)	(84,173)	(87,074)
Charge for the year	(615)	(1,210)	(4,390)	(262,991)	(269,206)
On disposals	-	-	-	-	-
Foreign exchange	5	(14)	(29)	(8,692)	(8,730)
At 31 March 2018	(1,383)	(1,861)	(5,910)	(355,856)	(365,010)
Carrying amount					
At 31 March 2017	2,321	6,069	6,177	134,460	149,027
At 31 March 2018	1,689	5,037	7,877	323,648	338,251

Canada Goose Services Limited

Notes to the financial statements (continued) For the year ended 31 March 2018

10. Debtors

Amounts falling due within one year:	2018	2017
	£	£
Amounts owed by parent	-	100
Amounts owed by other group companies	401,042	503,105
Security deposit	47,389	51,203
Other debtors	45,592	147,797
Prepayments and accrued income	20,099	84,990
Total debtors	514,122	787,195

Amounts owed by other group companies are unsecured and payable on demand.

11. Creditors

Amounts falling due within one year:	2018	2017
	£	£
Trade creditors	144,660	131,840
Amounts owed to other group companies	511,250	926,694
Taxation and social security	44,490	101,176
Corporation tax	35,318	20,903
Defined benefit pension obligation	48,092	-
Other accrued expenses	431,424	227,835
Total creditors	1,215,234	1,408,448

Amounts owed to other group companies are unsecured, repayable on demand and bear interest at 1.75%

12. Share capital

	2018	2017
	£	£
Authorised, issued and fully paid (2017: not fully paid) 100 ordinary shares of £1 each	100	100

Canada Goose Services Limited

Notes to the financial statements (continued) For the year ended 31 March 2018

13. Operating lease arrangements

The Company as lessee

	2018 £	2017 £
Lease payments under operating leases recognised as an expense in the year	<u>243,835</u>	<u>176,845</u>

Lease payments represent rentals payable by the Company for its temporary showroom property in Paris, France and for the office property in Hong Kong.

At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	13,003	-
In the second to fifth years inclusive	-	-
After five years	-	-
	<u>13,003</u>	<u>-</u>

14. Events after the balance sheet date

There are no subsequent events requiring adjustments or disclosure to the financial statements other than as disclosed in the business review and future developments section of the Strategic Report.

15. Controlling party

The Company's ultimate parent Company and ultimate controlling party is Bain Capital Integral Investors 2008, L.P., a Company incorporated in Boston, MA, USA.

The parent undertaking of the smallest and largest group, which includes the Company and for which group financial statements are prepared, is Canada Goose Holdings Inc., a Company incorporated in British Columbia, Canada and registered at 250 Bowie Avenue, Toronto, Ontario, Canada M6E 4Y2.

The immediate parent undertaking is Canada Goose International Holdings Limited, a Company incorporated in Great Britain. Copies of the group financial statements of Canada Goose Holdings Inc. are available from <https://www.sec.gov/edgar> or from the registered office address.