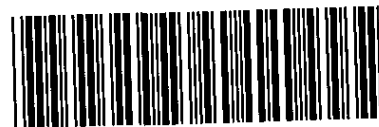


# **All Saints Retail Limited**

**Report and financial statements  
Period ended 30 January 2021**

**Company number 4096157**

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# All Saints Retail Limited

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# **All Saints Retail Limited**

## **Directors and advisers**

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### **Directors**

P. Wood  
L. Lea  
E. Deste (appointed on 31 July 2021)  
C. Scorey (appointed on 31 July 2021)  
M. Wilson (resigned on 31 July 2021)

### **Registered office**

Jack's Place  
Units C15-C17  
6 Corbet Place  
London  
E1 6NN  
United Kingdom

### **Company number**

4096157

### **Auditors**

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

### **Bankers**

Lloyds TSB Bank plc  
4<sup>th</sup> Floor  
25 Gresham Street  
London  
EC2V 7HN  
United Kingdom

Bank of America Merrill Lynch  
One Bryant Park  
36<sup>th</sup> Floor  
New York  
NY 10036  
United States of America

# All Saints Retail Limited

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## Group strategic report

The directors present their Group strategic report for the All Saints Retail Limited Group (the "Group") for the 52-week period ended 30 January 2021. The Group chooses to close the year in this manner to ensure the reporting is aligned with the retail calendar.

### Principal activities of the business

AllSaints is an international contemporary fashion brand that is headquartered in East London and designs menswear and womenswear collections. The brand directly operates stores, concessions, outlets and digital platforms across the UK, Europe, North America and Asia. In addition, in recent years the brand has enjoyed success in developing non-retail activities around the world, including new wholesale business, franchise partnerships and licensing income.

The Group's principal activities during the period continued to be that of designing and retailing clothing, footwear, and accessories.

### Review of the business

#### COVID-19 pandemic

AllSaints began 2020 with strong momentum and a clear strategy with the period ending January 2020 having seen the Group's most successful financial performance in the brand's 25-year history. However, in March 2020 as the pandemic took hold, the Group had to refocus its objectives as it sought to tackle the challenges resulting from the COVID-19 pandemic. Whilst the priority remained to ensure the safety and wellbeing of customers and staff, the directors and the senior leadership team took swift action to adjust the operating model of the Group to protect the financial position of the Group through the pandemic period and also to ensure the Group would be well positioned to rebound as COVID-19 restrictions eased.

The most significant impact of the pandemic on the Group's trading performance was the loss of trade due to store closures. At the start of the pandemic, in complying with government restrictions, AllSaints closed all its stores in the UK, Europe, USA and Canada in the second half of March 2020. Closures also occurred in a significant proportion of the store portfolio in Asia. By June 2020, most stores worldwide had reopened although remained subject to local lockdowns and restrictions. AllSaints introduced social distancing and hygiene measures in its stores to ensure the safety of its customers and employees, however footfall to stores remained suppressed. Due to a resurgence of Covid-19 in the UK, stores were closed for a two-week period in November 2020. Stores were closed again in December 2020 for the remainder of the financial period across the UK and Europe.

To mitigate the impact of COVID-19 on the business, a digital focus was embedded throughout the organisation prioritising inbound inventory flow, distribution centre operations and online stock availability. In the 2021 financial period, online sales grew by 53% which represented 48% of total revenue (23% in 2020, pre-pandemic).

At the start of the pandemic, the Group engaged with all relevant stakeholders including suppliers, employees, landlords, governments, and providers of capital. Various measures were taken to preserve cash and liquidity whilst attempting to preserve as many jobs as possible. Discretionary spending and capital expenditure was halted, and payment plans were agreed with stock suppliers for committed spend. The Group took advantage of available government support, including the furlough schemes and business rates relief in the UK.

As with many retail and hospitality businesses, the prolonged lockdown placed a significant strain on the Group's liquidity position during the summer of 2020. Notwithstanding an effective digital trading strategy and proactive management of key stakeholders, the directors took the decision to launch Company Voluntary Arrangements (CVAs) in respect of AllSaints' UK, European and North American stores.

The purpose of the CVAs was to ensure the Group has a viable and sustainable operating model for its physical stores by removing the rent liability that had accrued during the initial lockdown period and aligning future rents to sales performance. On the 3rd and 6th of July 2020, the vast majority of AllSaints' creditors voted in favour of the CVAs, including the majority of landlords. This provided immediate liquidity relief to the Group and an improved operating model to withstand the continued impact of COVID-19. The CVA measures remain in force through to July 2023. As part of the CVA, and following shareholder approval, the Company received £184.4 million in the form of forgiven intercompany loan interest from the direct parent company, Lion/Heaven UK II Limited, to bolster the subsidiary group balance sheet.

The CVAs were undertaken with the full consent of the debt capital providers. AllSaints remained in regular communication with its lenders throughout 2020 and retained its funding facility despite the impact of COVID-19 on trading performance.

## All Saints Retail Limited

### Group strategic report (continued)

Throughout 2020, AllSaints demonstrated flexibility and agility to adapt to the unprecedented retail environment and it has confidence in its multi-channel proposition to continue serving its customers around the world. Notwithstanding the significant challenges created by COVID-19 and the impact of temporary store closures, the business has shown resilience and the ability to adapt.

#### Financial performance for the period ended 30 January 2021

The Group's key financial performance indicators during the period were as follows:

		<b>52 weeks ended 30 January 2021</b>	52 weeks ended 1 February 2020
		<b>£'000</b>	<b>£'000</b>
	<i>Note</i>		
Group turnover	2	<b>261,461</b>	364,079
Gross profit		<b>149,194</b>	233,307
Gross margin (%)		<b>57%</b>	64%
Pre-operating exceptional EBITDA		<b>7,128</b>	63,777
Operating exceptional income/(expenses)	3	<b>26,554</b>	(6,551)
Total post-operating exceptional EBITDA		<b>33,682</b>	57,226
Depreciation and amortisation*		<b>(33,032)</b>	(47,822)
Operating profit		<b>650</b>	9,404

\*Refer to notes 9, 10 and 11 for depreciation and amortisation charges

Total revenue in the period to January 2021 was £261.5 million, a reduction of 28% on 2020. This was driven by the impact of the pandemic on store trading across the Group.

Gross profit margin decreased to 57% compared to 64% in the previous period. This was driven by an increased promotional sales mix to clear stock which was at higher levels because of the store trading restrictions during the pandemic.

The Group's pre-operating exceptional EBITDA (where EBITDA is defined as operating profit less depreciation and amortisation) decreased to £7.1 million from £63.8 million for the period to January 2021.

Operating exceptional income in the 2021 period was £26.6 million (£6.6 million cost in 2020) and was largely due to a gain on the remeasurement of leases following on from the CVAs (£33.4 million). This was offset in part by store closure and CVA related costs (£5.7 million) and refinancing costs (£0.7 million). As a result, the Group's post operating exceptional EBITDA was £33.7 million (£57.2 million in 2020).

The Group's operating profit decreased to £0.7 million from £9.4 million for the period to January 2021.

The Group ended the period with inventories of £48.9 million, compared with £62.7 million in the previous period - a decrease of 28%.

The focus of the directors and the senior leadership team on taking the actions outlined above through the period to preserve cash has resulted in a net debt (see note 22) position at the end of the 2021 period of £7.0 million compared with £4.7 million at the end of the previous period.

#### 2021 update

In February 2021, Lion Capital provided a £13.0 million loan to Lion/Heaven UK Limited which helped secure the continued support of the Group's lender. Lion/Heaven UK Limited issued an inter-company loan to Lion/Heaven UK II Limited of £13.0 million which in turn issued a £13.0 million intercompany loan to All Saints Retail Limited.

The directors and senior leadership team have continued to monitor COVID-19 developments carefully and take the appropriate actions in the best interests of the business, and with the safety of employees and customers in mind.

# All Saints Retail Limited

## Group strategic report (continued)

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### 2021 update (continued)

In 2021, the COVID-19 pandemic has continued to adversely impact trading. Stores in the UK and Europe did not reopen until April 2021, meanwhile government and local restrictions continued to impact stores in the Asia regions and in the USA. As vaccination programmes across these regions have gained momentum during the year, trading across the store portfolio has shown an improving trend as footfall has returned.

The directors are pleased with the 2021 performance so far in comparison to the plans set out at the start of the 2022 financial period. There have been positive customer reactions to new product launches. This reaction, coupled with tight management of inventory and a return to the pre-pandemic trading strategy of targeted promotions, has seen an improving gross margin performance.

While uncertainty around the long-term effect of COVID-19 on consumer behaviour remains, the Group's strategic focus on continued product development and the growth of the global digital and wholesale channels will help mitigate any continued impact on stores. The actions taken in 2020 by the leadership team, particularly the CVA's, have also reduced the ongoing fixed cost base of the business which has reduced the financial risk to the business from further disruptions to store trading.

In September 2021, the Group secured a new five-year, £65 million funding facility with Wells Fargo Capital Finance which will support the future growth plans of the business. This comprises a £55 million revolving credit facility and a £10 million intellectual property based term loan. As at the end of September 2021, the Group's net cash position was £9.1 million. This compares to a net debt position at the end of September 2020 of £32.4 million and £49.2 million in 2019.

On October 3rd, 2021, the assets of John Varvatos were contributed to the Group. John Varvatos was part of the Lion Capital portfolio of brands and went into Chapter 11 bankruptcy in early 2020. In August 2020, Lion Capital acquired a restructured John Varvatos business out of Chapter 11.

Lion Capital contributed the John Varvatos business to Lion/Heaven UK Limited in exchange for a £1 ordinary share. Lion/Heaven UK Limited contributed the John Varvatos business to Lion/Heaven UK II Limited in exchange for a £1 ordinary share. Lion/Heaven UK II Limited contributed the John Varvatos business to All Saints Retail Limited for a £1 ordinary share. As at the date of transfer into All Saints Retail Limited, the John Varvatos business had a cash balance of \$14.4 million. See note 27 for details of the immediate and ultimate parent company of All Saints Retail Limited.

John Varvatos is a New York based; alternative luxury menswear brand founded in 2000 with sales predominantly in the US. Going forward, the directors believe that synergies between the two brands, particularly in relation to supply chain, technology and logistics will contribute to the future growth of the overall business.

### Financial risk management objectives and policies

The principal risks and uncertainties facing the Group are outlined below:

#### **Market conditions**

Whilst there remains a degree of uncertainty around the potential future impact of the coronavirus pandemic, the successful rollout of the vaccination programme across the Group's key geographies along with actions taken by the directors since the start of the pandemic have significantly reduced the potential future risk to trading and the financial stability of the Group.

Whilst market conditions continue to be challenging, the directors believe that the quality of the Group's product range and the continued innovation and creativity of the Group's design team, and the Group's strong digital offering and growing wholesale business will help ensure that the Group is well-positioned to mitigate risk.

The directors continuously monitor market conditions, as well as general economic trends and competitor activity. Appropriate steps are taken to minimise the Group's exposure to any potential challenges in each of the geographical territories the Group trades in. The directors seek to ensure that the Group maintains a compelling product offering that appeals to a broad range of consumers and is differentiated from competing propositions.

#### **Liquidity risk**

The Group maintains appropriate financing lines to ensure that the Group has sufficient available funds to finance its operations and reduce liquidity risk. In September 2021, the Group completed a refinancing process (see note 23 for full details) which will provide continued liquidity to the Group and growth capital for future strategic initiatives.

#### **Foreign currency fluctuations**

The Group is exposed to foreign currency fluctuations, particularly through its supplier payment structure and overseas customer receipts. The directors monitor these risks and take appropriate steps to minimise the Group's exposure to potential volatility in these areas.

# All Saints Retail Limited

## Group strategic report (continued)

### Financial risk management objectives and policies (continued)

#### **Business interruption**

The Group manages business interruption risk through business continuity planning for each of its key risk areas, including a specific set of plans and communication tools for COVID-19 related risks. Each plan addresses alternative operations for the risk at hand and the business actively discusses and manages these risks together with our insurers to mitigate impacts. A cross functional business continuity working group has been set up to ensure any continuity issues can be rapidly triaged and addressed.

#### **Brexit**

The UK held a referendum on 23 June 2016 voting in favour of leaving the European Union. On 31 January 2020, the UK formally left the EU and entered a transition period which ended on 31 December 2020. There remains a risk that trading terms between the EU and the UK could change in the future. The directors will continue to monitor developments and will assess any potential changes to operating plans accordingly.

#### **The environment**

The Group has continued to adopt policies and procedures which consider the need to preserve and protect the environment. The directors are committed to compliance with environmental best practice in all aspects of the business.

#### **Energy and carbon reporting**

The Companies Act 2006 introduced a new requirement to disclose a Company's annual energy use and greenhouse gas (GHG) emissions and any related information. AllSaints have reported all emission sources under the Companies Act 2006 (Strategic Report and Director's Reports) Regulations 2013 as required. Emissions are calculated and reported in line with the GHG Protocol Corporate Accounting and Reporting Standard and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2020 (reference "Introduction guidance").

The boundaries of the GHG inventory are defined using the operational control approach. In general, the emissions reported are the same as those which would be reported based on a financial control boundary. The Group's UK calculated carbon footprint for the 2021 period is 809.85 tonnes CO<sub>2</sub> equivalent (tCO<sub>2</sub>e), whilst energy consumption was 3,039,886.82 kWh (3,039.9 MWh). AllSaints' calculated carbon footprint for the period ended 30 January 2021 is broken down as follows:

Scope	Emission Sources	TCO <sub>2</sub> E
1	Natural gas and transport	56.94
2	Electricity	639.47
3	Other indirect emissions	113.44
Total		809.85

This translates to an intensity metric of 0.0052 tCO<sub>2</sub>e for Scope 1, 2, and 3 emissions per net square foot of operations (155,411 ft<sup>2</sup> total). AllSaints remain focused on improving energy emissions. Measures taken include replacing aged office equipment with energy-efficient products, a continual review of the company car policy, installation of LED lamps across retail stores and reducing the requirement for corporate travel with enhanced use of online and video conferencing.

#### **Anti-bribery and anti-corruption**

AllSaints have a zero-tolerance approach to bribery and corruption. It is committed to acting with professionalism, fairness and integrity in all of its business dealings and to the ongoing implementation and enforcement of effective system and measures to prevent bribery and corruption. This commitment is supported at the top-level of the organisation and compliance is overseen by a cross-functional committee of senior leaders within the Company.

AllSaints' Anti-Bribery and Anti-Corruption policies outline the expected standards of conduct that colleagues, contractors, suppliers, business partners and any other third parties who act for or on behalf of AllSaints are obliged to follow. All colleagues are required to undertake mandatory Anti-Bribery and Anti-Corruption training as part of their induction with People and Culture and are encouraged to raise any concerns through their reporting lines, legal or the confidential whistleblowing line.

The Company will consider taking disciplinary action against any employee who fails to comply with its Anti-Bribery Policy, up to and including dismissal. The Company also reserves the rights to terminate relationships with business partners who do not comply. Any potential incidents reported internally or to the external confidential reporting channels are followed up and full investigations launched where such action is deemed appropriate after preliminary enquiries.

# All Saints Retail Limited

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## Group strategic report (continued)

### Section 172 Statement

This section acts as the Company's Section 172(1) statement. In accordance with the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended by the Companies (Miscellaneous Reporting) Regulations 2018), this section also constitutes the Company's statements on engagement with and having due regard to the interest of our employees and other key stakeholders.

Management considers decisions made in response to the impacts of the COVID-19 pandemic to be the principal focus of the decision making during the year. See pages 2-5 for full details.

The directors consider that the following Groups are key stakeholders:

#### **Shareholders**

The Group relies on its shareholders to further business objectives and its long-term growth strategy. The Chief Executive Officer and Global Finance Director held board meetings with the Group's shareholders during the period and the Chairman and Chief Executive Officer are also in regular communication. During the period, AllSaints has engaged with its shareholders on a range of topics including the impact of the COVID-19 pandemic on the Group financial performance, the Company Voluntary Arrangements entered into in July 2020, the financing of the company, its long-term strategic business plan, sustainability initiatives and executive remuneration and incentives. The Group's shareholders have had the opportunity to ask questions and represent their views formally to the Board with the Chief Executive Officer and Global Finance Director at the meetings. The interests of the Group's shareholders were considered as part of the Board's decision making policy throughout the year.

#### **Suppliers**

The Group places utmost importance in maintaining strong partnering relationships and a regular dialogue with all its suppliers. Each year, AllSaints holds an annual vendor conference to provide an update to the vendor community on financial performance and strategic initiatives. The Group works with its suppliers in order to maintain a reputation for high standards of business conduct and to act in an ethical manner. Following these interactions, suppliers were able to flex their production during the period to align with Group strategy. The Group also continues to regularly engage with logistics providers in order to minimise any supply chain issues. This is important to maintain the quality of service levels to AllSaints' customers.

#### **Employees**

Employees are at the heart of the AllSaints business and the Group proactively engages with its workforce through a number of mechanisms. Employees are kept informed of performance and strategy via regular updates from the senior leadership team, including online "town hall" meetings and intranet community posts. Employee engagement surveys are conducted twice a year to provide an opportunity for all employees to provide anonymous feedback to the organisation and internal engagement levels remain ahead of industry benchmarks. The results are then shared with the senior leadership team and the Board to ensure that actions are taken so that employees feel heard, and to foster a culture of dialogue and inclusion.

The Board also continues to support investment in training and development. The Group has leadership development programmes at different levels including a senior leadership programme to provide future-proof succession planning to the director team. Over a third of the Group's roles have also been filled by internal promotion in the last eighteen months. Taken together the Board considers these measures an effective means to ensure the views and development of the global team are taken into account.

With regard to health, safety and wellbeing, the Group carries out regular health and safety risk assessments including a COVID-19 specific risk assessment and in-person floor walks, fire marshal training and first aid training for store, distribution centre and head office teams. Policies are implemented in conjunction with these training programs to protect employees and customers.

The Group's wellbeing offering includes training sessions on mental health, wellbeing sessions including Zoom yoga as well as practical guidance and certifying employees as Mental Health First Aiders.

AllSaints prides itself on being a diverse employer where employees are free to be their true selves at work. Thirty-nine percent of the Group's employees globally are BIPOC, 16% identify as LGBTQ+, and 60% are female (58% at operating board level). For a fourth year running, the Group has reported zero median gender pay gap. This is also the third year of the Group's partnership with LGBTQ+ rights campaign group Kaleidoscope Trust, the Group continues to host an internal anti-racism working group, and equality and diversity training is mandatory for all employees. This year AllSaints has undertaken work with third party grass-roots organisations such as Black Minds Matter and Fashion Minority Report to support their work to improve ethnic minority and social mobility into the fashion industry through mentoring and paid work placements.



## **All Saints Retail Limited**

### **Group strategic report (continued)**

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#### **Section 172 Statement (continued)**

##### ***Customers***

The Group's product, marketing and distribution strategy is centred around its customers. Building brand value and loyalty with customers is essential to the Group's long-term sustainability. Customer sentiment can be observed in the Group's underlying sales figures and the Board receives regular updates on product feedback and trading performance. This feedback and the interests of customers are then considered in key business decisions, including product improvements, the monitoring of supplier quality and safety standards, optimising freight and logistics to ensure efficient order and delivery is adhered to, as well as new marketing initiatives.

With the interests of the Group's customers in mind, the Board and senior leadership team review proposals in respect of new store openings, capital expenditure on stores and the Group's e-commerce platform, as well as wholesale and franchise opportunities with new partners.

##### ***Providers of debt capital***

Continued access to capital is of vital importance to the long-term success of the Group. The Global Finance Director is responsible for managing the relationships with the Group's lenders and for the Group's cash management and financing activities. The Board receives regular updates on these activities and monitors the Group's liquidity position, together with covenant compliance of lending facilities.

In September 2021, the Board approved a new £65 million financing facility with Wells Fargo Capital Finance which will provide continued liquidity to the Group and growth capital for future strategic initiatives.

#### **By order of the Board**



P. Wood  
Director

13 December 2021

# All Saints Retail Limited

## Directors' report

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The directors present the Group strategic report, the Director's report and the financial statements of the Group and All Saints Retail Limited (the "Company") for the 52-week period ended 30 January 2021.

### Directors

The directors who served during the period are as stated below:

P. Wood  
L. Lea  
E. Deste (appointed on 31 July 2021)  
C. Scorey (appointed on 31 July 2021)  
M. Wilson (resigned on 31 July 2021)

The Company has arranged qualifying third-party indemnity for all of its directors.

### Dividends

The directors do not recommend payment of a final dividend (2020: £nil).

### Going concern

At the time of signing these financial statements, the directors have performed a detailed review of the Group's projected cash flows, borrowing capacity and covenant compliance for the period of 15 months to the end of January 2023. The initial base case has been developed from a trading plan, which assumes a gradual recovery from the impact of COVID-19 restrictions. The revenue and gross margin are set below the trading performance of the Group in the period ended January 2020 (Pre COVID-19). The directors believe this to be a relatively conservative base forecast. Based on this forecast, in September 2021, the Group secured a new five-year £65 million financing facility which will support the future growth of the business.

The most significant potential future risk to the financial stability of the business remains further store closures as a result of Government restrictions due to the COVID-19 pandemic. However, the scale and success of the vaccine rollout programmes in the regions in which the Group operates suggests that the risk of further sustained regional lockdowns has reduced considerably. In addition, the actions taken by the directors of the Group since the start of the pandemic as outlined in the strategic report on pages 2-7, have mitigated the impact of future store closures on the business. Plans are in place and on track to ensure that the Group returns to growth and that the AllSaints brand remains an attractive proposition for key stakeholders.

The directors have however, also reviewed alternative scenarios with respect to the base forecast. This includes a severe but plausible scenario of a further lockdown in one of the Group's key regions leading to all stores in the region having to close throughout December 2021 and January 2022 due to government restrictions. In addition, the directors have reviewed a reverse stress test case of a further lockdown in one of the Group's key regions leading to all stores in the region having to close through January to March 2022 with revenues modelled to be 10% below the forecast throughout remainder of the financial period ending January 2023. In each of the scenarios outlined, the directors have reviewed the impacts on forecasted cash flows, liquidity headroom and covenants. In all cases, the Group will be able to continue trading within the new funding arrangements.

In these downside scenarios, only variable cost savings have been taken into account. However, in the event of these scenarios occurring, the directors would also review all options with regard to further cost savings and the management of payables which would have further positive impacts on the Groups financial position. The directors will continually monitor future trading risks to the business and will implement mitigating and remedial actions as required.

As of September 2021, the Group had a net cash position £9.1 million and was in compliance with its financial covenants.

In the opinion of directors, the Group is expected to be able to continue trading within its current arrangements and consequently the financial statements are presented on a going concern basis.

### Disabled employees

The Group gives full consideration to applications for employment from persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. The same opportunities are available to disabled employees in relation to training, development and promotions as for all other employees. Where existing employees become disabled, it is the Group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate adaptations, support and training to achieve this aim.

## **All Saints Retail Limited**

### **Directors' report (continued)**

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#### **Employee involvement**

The Group operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulation 2004. During the period, employees are provided with information about the Group through companywide meetings as well as through email communication. Regular meetings are held between employees and their line managers to allow a free flow of information and ideas.

#### **Events after reporting date**

On 25 February 2021, £13.0 million unsecured PIK fixed rate loan notes ('loan notes') were issued to Lion/Heaven UK Limited from its ultimate parent company, Lion/Heaven Cayman Limited. Lion/Heaven UK Limited issued an inter-company loan to Lion/Heaven UK II Limited of £13.0 million which in turn issued a £13.0 million intercompany loan to All Saints Retail Limited.

On 21 September 2021, the Group secured a new five-year, £65 million funding facility with Wells Fargo Capital Finance.

On 3 October 2021, Lion/Heaven Cayman Limited contributed JV Asset Holdco LLC and JVUK Holdco Limited to the Group.

The above events are further detailed in note 25.

#### **Auditors**

The Board is recommending that Ernst & Young LLP be reappointed as auditors for the period ending 29 January 2022.

#### **By order of the Board**



P. Wood  
Director  
13 December 2021

## **All Saints Retail Limited**

### **Statement of Directors' responsibilities**

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The directors are responsible for preparing the Group strategic report, Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, and the Company financial statements in accordance with FRS 101 "Reduced Disclosure Framework" ("FRS 101") and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group 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;
- state whether the Group financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and the Company financial statements have been prepared in accordance with UK GAAP, (FRS101) subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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.

#### **Directors' statement as to the disclosure of information to auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

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## **Independent auditor's report to the members of All Saints Retail Limited**

### **Opinion**

We have audited the financial statements of All Saints Retail Limited ('the parent company') and its subsidiaries (the 'group') for the 52 week period ended 30 January 2021 which comprise the Group income statement, the Group statement of comprehensive income, the Group and Parent company statement of financial position, the Group and Parent statement of changes in equity, the Group statement of cash flows and the related notes 1 to 47, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as at 30 January 2021 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- understanding management's process and controls related to the assessment of going concern;
- obtaining management's going concern models which included a base case and a severe yet plausible downside cash flow scenario covering the going concern assessment period. These forecasts include an assessment of available debt facilities, the adequacy of net debt headroom and EBITDA headroom related to compliance with debt covenants as well as understanding how the impact of Covid-19 had been reflected in the forecasts. In addition, in response to our challenge, management prepared a further reverse stress test scenario;
- considering the downside scenarios identified by management, independently assessing whether there are any other scenarios which should be considered, and assessing the quantum of the impact on the available cash flows of the downside scenarios in the going concern period;
- we challenged management's assumptions within the cash flow forecasts in relation to the growth assumptions in digital and wholesale as well as the extent to which retail trading would be impacted by the ongoing risks presented by Covid. Due to uncertainty in the wider retail and economic markets post Covid-19 we have anchored our work to focus on further sensitivities to the severe but plausible scenario and whether the reverse stress test is considered remote;
- assessing the adequacy of the going concern assessment period until 31 January 2023, considering whether any events or conditions foreseeable after the period indicated a longer review period would be appropriate;
- checking the arithmetical accuracy of the cash flow forecast models and assessing the Group's historical forecasting accuracy;
- comparing management's forecasts to actual results through the subsequent events period and performing enquiries to the date of this report;
- obtaining copies of the facility agreements, understanding the terms and conditions including those related to covenant test ratio requirements and checking the calculation of headroom in respect of the financial covenant test ratios; assessing the Group's forecast banking covenant compliance; and
- assessing if the going concern disclosures in the financial statements are appropriate and in accordance with the revised ISA UK 570 going concern standard.

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## **Independent auditor's report to the members of All Saints Retail Limited**

### **Conclusions relating to going concern (continued)**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period up to 31 January 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

### **Responsibilities of directors**

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, 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 directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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## Independent auditor's report to the members of All Saints Retail Limited

### 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.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

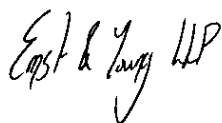
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including health and safety, employees and GDPR.
- We understood how All Saints Retail Limited is complying with those frameworks by making inquiries of management and those responsible for tax, legal and compliance procedures to understand how the Company maintains and communicates its policies and procedures in these areas. We corroborated our inquiries through review of Board minutes, as well as consideration of the results of our other audit procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, and used data analytics to address the risk of management override of controls through testing of journal entries. To address the fraud risk around revenue recognition, we selected a sample of revenue transactions before and after the year-end date and performed detailed testing, agreeing the transaction to source documentation to validate that the revenue had been recognised in the appropriate period.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiry with management, those charged with governance and those responsible for legal and compliance procedures. We used data analytics to identify any unusual journal entries that could indicate potential irregularities.

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

### 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.



James Lovegrove (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London



# All Saints Retail Limited

## Group income statement

For the period ended 30 January 2021

		52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	Note	£'000	£'000
Revenue	2	261,461	364,079
Cost of sales		(112,267)	(130,772)
<b>Gross profit</b>		<b>149,194</b>	<b>233,307</b>
- Operating exceptional items - income/(expense)	3	26,554	(6,551)
- Other administrative expenses		(175,098)	(217,352)
Administrative expenses		(148,544)	(223,903)
<b>Operating profit</b>	3	<b>650</b>	<b>9,404</b>
Finance income	6	62	91
Finance expense	7	(35,452)	(41,836)
<b>Loss before taxation</b>		<b>(34,740)</b>	<b>(32,341)</b>
Income tax expense	8	(747)	(13,102)
<b>Loss for the financial period</b>		<b>(35,487)</b>	<b>(45,443)</b>

The notes on pages 19 to 43 form part of these financial statements.



## All Saints Retail Limited

### Group statement of comprehensive income

For the period ended 30 January 2021

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	£'000	£'000
<b>Loss for the financial period</b>	<b>(35,487)</b>	<b>(45,443)</b>
<b><i>Items that may be reclassified to profit or loss (net of tax):</i></b>		
Gain on foreign currency translation differences arising on consolidation of foreign operations	365	853
<b>Other comprehensive (expense)/income for the period, net of tax</b>	<b>365</b>	<b>853</b>
<b>Total comprehensive expense for the period</b>	<b>(35,122)</b>	<b>(44,590)</b>

The notes on pages 19 to 43 form part of these financial statement

# All Saints Retail Limited

## Group statement of financial position

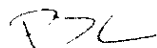
At 30 January 2021

Company number 4096157

	Note	30 January 2021 £'000	1 February 2020 £'000 <i>*Restated</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	9	9,375	10,907
Property, plant and equipment	10	18,995	25,147
Right-of-use asset	11	48,299	138,630
Trade and other receivables	12	2,449	3,086
Deferred tax asset	18	804	-
		<b>79,922</b>	<b>177,770</b>
<b>Current assets</b>			
Trade and other receivables	12	20,716	26,864
Inventories	13	48,878	62,724
Cash and cash equivalents		11,629	13,133
		<b>81,223</b>	<b>102,721</b>
<b>Total assets</b>		<b>161,145</b>	<b>280,491</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	14	(52,816)	(55,659)
Provisions	15	(2,041)	(1,384)
Lease liabilities	16	(9,514)	(30,770)
Borrowings	17	(16,144)	(13,083)
Income tax payable		(4,126)	(5,136)
		<b>(84,641)</b>	<b>(106,032)</b>
<b>Non-current liabilities</b>			
Trade and other payables	14	(530)	(263)
Lease liabilities	16	(51,768)	(140,465)
Provisions	15	(3,198)	(4,248)
Borrowings	17	(118,140)	(275,851)
		<b>(173,636)</b>	<b>(420,827)</b>
<b>Total liabilities</b>		<b>(258,277)</b>	<b>(526,859)</b>
<b>Net liabilities</b>		<b>(97,132)</b>	<b>(246,368)</b>
<b>EQUITY</b>			
Share capital	19	-	-
Share premium		9,555	9,555
Translation reserve		3,067	2,702
Capital contribution reserve	20	184,358	-
Accumulated deficit		(294,112)	(258,625)
<b>Equity shareholders deficit</b>		<b>(97,132)</b>	<b>(246,368)</b>

See note 17 for details of the restatement.

The notes on pages 19 to 43 form part of these financial statements. The financial statements were approved and authorised for issue by the board of directors on 13 December 2021 and were signed on its behalf by:



P. Wood  
Director  
13 December 2021

# All Saints Retail Limited

## Group statement of changes in equity

At 30 January 2021

	Share capital	Share premium	Translation reserve	Capital Contribution Reserve	Accumulated deficit	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Restated at 2 February 2019</b>	-	9,555	1,849	-	(213,700)	(202,296)
Adjustment on initial application of IFRS 16	-	-	-	-	518	518
<b>Adjusted balance at 3 February 2019</b>	-	9,555	1,849	-	(213,182)	(201,778)
Loss for the period	-	-	-	-	(45,443)	(45,443)
Other comprehensive income	-	-	853	-	-	853
<b>At 1 February 2020</b>	-	9,555	2,702	-	(258,625)	(246,368)
<b>At 1 February 2020</b>	-	9,555	2,702	-	(258,625)	(246,368)
Loss for the period	-	-	-	-	(35,487)	(35,487)
Forgiveness of intercompany debt	-	-	-	184,358	-	184,358
Other comprehensive income	-	-	365	-	-	365
<b>At 30 January 2021</b>	-	9,555	3,067	184,358	(294,112)	(97,132)

The notes on pages 19 to 43 form part of these financial statements

# All Saints Retail Limited

## Group statement of cash flows

For the period ended 30 January 2021

		52 weeks ended 30 January 2021 £'000	52 weeks ended 1 February 2020 £'000
<b>Cash flows from operating activities</b>	<i>Note</i>		<i>*Restated</i>
<b>Loss before taxation</b>		<b>(34,740)</b>	<b>(32,341)</b>
Adjustments for:			
– Amortisation		4,019	3,985
– Depreciation		29,013	43,837
– Impairment		229	3,651
– Remeasurement of right-of-use assets		(33,378)	-
– COVID-19 related rent concessions		(458)	-
– Finance income		(62)	(91)
– Finance expense		35,452	41,836
– Foreign exchange gains on operating activities		(668)	(747)
– Decrease/(increase) in inventories		17,470	(6,212)
– Decrease in trade and other receivables		6,785	6,123
– Decrease in trade and other payables		(6,811)	(7,163)
– Decrease in provisions		(1,012)	(1,070)
– Deferred taxes		(804)	-
<b>Cash generated from operations</b>		<b>15,035</b>	<b>51,808</b>
Interest received		62	91
Interest paid		(5,959)	(10,074)
Taxation paid		(1,757)	(4,014)
<b>Net cash generated from operating activities</b>		<b>7,381</b>	<b>37,811</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(2,827)	(7,214)
Purchase of intangible assets		(1,886)	(4,269)
Initial direct costs on right-of-use assets		(142)	(261)
<b>Net cash outflow from investing activities</b>		<b>(4,855)</b>	<b>(11,744)</b>
<b>Cash flows from financing activities</b>			
Repayment of capital element of lease obligations	26	(4,862)	(31,045)
Proceeds received from drawdown of term loan	26	-	7,800
Repayment of term loan	26	(2,229)	(836)
Cash in/(out) flow from the revolving credit facility	26	3,061	(5,268)
<b>Net cash used in financing activities</b>		<b>(4,030)</b>	<b>(29,349)</b>
<b>Net decrease in cash</b>		<b>(1,504)</b>	<b>(3,282)</b>
<b>Cash and cash equivalents at the start of the period</b>		<b>13,133</b>	<b>16,415</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>11,629</b>	<b>13,133</b>

The notes on pages 19 to 43 form part of these financial statements.

# All Saints Retail Limited

## Notes to the Group financial statements

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### 1. Accounting policies

#### Reporting entity

All Saints Retail Limited (the "Company") is incorporated and domiciled in the United Kingdom (London) and is limited by shares. The Company operates across the UK, Europe, North America and Asia. Branches exist in Europe, United States of America, and Canada.

These consolidated financial statements are for the All Saints Retail Limited Group (the "Group") and they comprise the Company and its subsidiaries which are listed in full in note 34 of the Company financial statements.

The Group's principal activities are the design and retailing of clothing, footwear, and accessories.

The Group financial statements were approved by the Board of Directors on 13 December 2021.

#### Statement of compliance

The financial statements of the Group have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The directors have taken advantage of the option within section 390 of the Companies Act 2006 to prepare their financial statements up to a date seven days either side of the Company's accounting reference date of 31 January 2020, and these accounts therefore cover the period from 2 February 2020 to 30 January 2021 (2020: 3 February 2019 to 1 February 2020).

#### Functional and presentational currency

These financial statements are presented in pounds Sterling (£), which is the Group and the Company's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### Basis of preparation

The financial statements for the period ended 30 January 2021 have been prepared on a historical cost basis and in accordance with IFRS. The accounting policies set out below have been applied consistently to the Group to all periods presented in these financial statements.

#### Going concern

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the directors have considered the current state of the business and the prospects of trading performance. At the time of signing these financial statements, the directors have performed a detailed review of the Group's projected cash flows, borrowing capacity and covenant compliance for the period of 15 months to the end of January 2023.

The initial base case has been developed from a trading plan, which assumes a gradual recovery from the impact of COVID-19 restrictions. The revenue and gross margin are set below the trading performance of the Group in the financial year 2020 (Pre COVID-19). The directors believe this to be a relatively conservative base forecast. In September 2021, the Group secured a new five-year £65 million financing facility which will support the future growth of the business.

The most significant potential future risk to the financial stability of the business remains further store closures as a result of Government restrictions due to the COVID-19 pandemic. The actions taken by the directors of the Group since the start of the pandemic as outlined in the strategic report on pages 2-7, have mitigated the impact of future store closures on the business. Plans are in place and on track to ensure that the Company returns to growth and that the AllSaints brand remains an attractive proposition for key stakeholders.

The Group also maintains regular dialogue with its debt capital providers. As of September 2021 (the last reported month before the signing of the accounts), the Group had a net cash position £9.1 million and was in compliance with its financial covenants. The Group's peak November/December trading period is expected to further improve liquidity.

The directors have however, also reviewed alternative scenarios with respect to the base forecast. This includes a severe but plausible scenario of a further lockdown in one the Group's key regions leading to all stores in the region having to close throughout December 2021 and January 2022 due to government restrictions. In addition, the directors have reviewed a reverse stress test case whereby revenues are 10% below the forecast throughout the financial year 2022. In each of the scenarios outlined, the directors have reviewed the impacts on forecasted cash flows, liquidity headroom and covenants. In all cases, the Group will be able to continue trading within the new funding arrangements.

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 1. Accounting policies (continued)

#### New accounting standard

The following new standards, amendments to standards and interpretations issued by the International Accounting Standards Board ("IASB") became effective during the period ended 30 January 2021. The accounting policies adopted in the presentation of these financial statements reflect the adoption of the following new standards, amendments to standards and interpretations:

- COVID-19 related rent concessions (amendment to IFRS 16)

The adoption of the above standard and interpretations has not led to any changes to the Group's accounting policies or had any other material impact on the financial position or performance of the Group.

#### *COVID-19 related rent concessions – (amendment to IFRS 16 Leases)*

On 28 May 2020, the IASB adopted the COVID-19 related rent concessions amendment to IFRS 16 Leases. The amendment applies to accounting periods from 1 June 2020. Early application was permitted, and the Group has elected to apply the amendment in the period ended 30 January 2021. The criteria applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- There is no substantive change to other terms and conditions of the lease.

Lessees are not required to assess whether eligible rent concessions are lease modifications. This allows the lessee to account for eligible rent concessions as if they were not lease modifications. During the period, the Group has agreed rent concessions with landlords during store closures where the landlord has agreed to forgive all or a portion of rents due with no obligation to be repaid in the future.

The Group has chosen to account for eligible rent forgiveness as negative variable lease payments and recognises the benefit in the Income Statement. As a result, the Group has recognised £0.5 million in COVID-19 related rent concessions in the Income Statement within "operating profit" in the period ended 30 January 2021.

In the Statement of Cash Flows, the forgiveness results in lower payments of lease principal.

#### Standards yet to be adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the period ended 30 January 2021 and have not been adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods or on foreseeable future transactions.

#### Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group accounting policies and the reported amount of assets, liabilities, income, expenses and other disclosures. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis.

Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based, or as a result of new information. Such changes are recognised in the period in which the estimate is revised.

Key assumptions about the future and key sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying value of assets and liabilities over the next year are set out below.

#### **Impairment of intangible assets, property, plant and equipment and right-of-use assets**

These assets are reviewed annually for impairment or more frequently if there is an indication of impairment to ensure that they are not carried above their estimated recoverable amounts. To assess if any impairment exists, estimates are made of the future cash flows expected to result from the use of the asset and its eventual disposal. Actual outcomes could vary from such estimates of discounted future cash flows. The recoverable amount is sensitive to movements in the discount rate, growth rate and expected future cash flows.

# **All Saints Retail Limited**

## **Notes to the Group financial statements (continued)**

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### **1. Accounting policies (continued)**

#### **Critical accounting estimates and judgements (continued)**

##### ***Provisions for dilapidations***

Management estimate and make provision for costs that will be incurred in returning a leased property to the condition that it was in at the inception of the lease. The valuation of the provision is sensitive to movements in the discount rate and the estimated restoration costs (based on a rate per square foot).

##### ***Income taxes and deferred tax recognition***

Estimates may be required in determining the level of current and deferred income tax assets and liabilities, which the directors believe are reasonable and adequately recognise any income tax related uncertainties. The income tax assets or liabilities are sensitive to various factors including changes in tax legislation, the Groups future levels of capital investment and future estimated taxable profits.

##### ***Inventory provisioning***

The Group designs and sells clothing, footwear and accessories and is subject to changing consumer demands and fashion trends. As a result, it is necessary to consider the recoverability of the cost of inventories and the associated provisions required. When calculating the inventory provision, management considers the nature and condition of the inventory. Inventory is aged by season and provisions are calculated based on inventory aging, historical sales performance and future sales forecast. The valuation of the provision is sensitive to the Group achieving its future sales forecast.

##### ***Lease term and considerations***

The lease term is determined as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option under some of its leases to extend the lease term (extension option) or terminate the lease early (break option). The Group applies judgement in evaluating whether it is reasonably certain to exercise these options. Considerations may include the contractual terms and conditions for the optional periods compared to market rates, costs associated with the termination of the lease and the importance of the underlying asset to the Group's operations. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the options to renew (e.g. a change in business strategy).

The discount rate used to calculate the lease liability is the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses an incremental borrowing rate specific to the country, term and currency of the contract. The discount rate is determined using a reference (risk free) rate and an adjustment to reflect the credit risk.

The impact of the CVAs has resulted in the lease liability being remeasured to reflect zero minimum contracted payments for the three-year period for the UK affected stores and until lease expiry for the North American affected stores. This is consistent with the assumption that future market rental rates for the North American affected stores after the three-year CVA period would remain as variable based rents linked to store turnover.

#### **Basis of consolidation**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred.

Inter-company transactions, balances and unrealised gains/losses on transactions between Group companies are eliminated on consolidation.

#### **Foreign currency translation**

##### ***Group consolidation***

The financial statements are presented in sterling which is the Group's presentational currency and the functional currency of the Parent Company.

The assets and liabilities of foreign operations (which have a different functional currency to sterling), including goodwill and fair value adjustments arising on consolidation, are translated to Sterling, at foreign currency exchange rates ruling at the reporting date.

The revenues and expenses of foreign operations are translated at an average rate for the period, which approximates the foreign currency exchange rates ruling at the dates of the transactions. Exchange differences arising from the translation of foreign operations are reported in other comprehensive income.

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 1. Accounting policies (continued)

#### Foreign currency translation (continued)

##### **Transactions and balances**

Foreign currency transactions are initially recorded by the Group's entities at their respective functional currency spot rates on the date of the transaction. Foreign currency monetary assets and liabilities held at the end of the reporting period are translated at the closing balance sheet rate. The resulting exchange gain or loss is recognised within the income statement.

#### **Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment losses. Cost includes the original purchase price of the assets and costs attributable to bringing the asset to its working condition for its intended use.

Property, plant and equipment is depreciated at rates calculated to write off the cost less residual value of each asset over its useful economic life, as follows:

- |                                    |                                  |
|------------------------------------|----------------------------------|
| - Capitalised leasehold costs      | Straight line over life of lease |
| - Fixtures, fittings and equipment | 20% straight line                |
| - Office and computer equipment    | 20% straight line                |

Gains and losses on disposals of assets are calculated as the difference between the proceeds received and the carrying amount of the asset and are recognised in profit or loss.

##### **Impairment of property, plant and equipment**

Impairment reviews of property, plant and equipment are undertaken whenever events or changes in circumstances indicate their carrying value may not be recoverable. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate, but restricted so that the increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised.

#### **Intangible assets**

##### **Trademarks**

Trademarks are valued at cost less impairment provisions for a reduction in the carrying value. Trademarks are written off in equal annual instalments over their useful economic life of ten years.

##### **Software costs**

Costs associated with maintaining computer software are recognised as an expense as incurred. Software development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Software costs recognised as assets are amortised over their estimated useful lives of five years.

##### **Website platform costs**

Costs associated with the development of the Group's website are capitalised where the above criteria for capitalising software costs are met and the Group is able to demonstrate that the website will develop probable future earnings. Expenditure incurred on maintaining and developing website systems used only for advertising purposes are written off as incurred. Website platform costs recognised as assets are amortised over their estimated useful lives of five years.

##### **Impairment of intangible assets**

Impairment reviews are undertaken whenever events or changes in circumstances indicate their carrying value may not be recoverable. If the fair value of an intangible asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate, but restricted so that the increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Any impairment losses or reversals are recognised immediately in the income statement.



# **All Saints Retail Limited**

## **Notes to the Group financial statements (continued)**

### **1. Accounting policies (continued)**

#### **Leases**

The Group adopted IFRS 16 Leases for the period commenced 3 February 2019. The Group applied a modified retrospective transition approach, where the initial right-of-use asset was measured at an amount equal to the lease liabilities on the date of adoption. In accordance with IFRS 16, there is a lease relationship if the lessor has contractually transferred the right to use an identified asset for a defined period in return for remuneration by the lessee.

#### ***The Group as lessee***

Lease liabilities are initially recognised at the commencement date of the lease and are measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses an incremental borrowing rate specific to the country, term and currency of the contract. The weighted average rate for the period ended 30 January 2021 is 3.97%.

Lease payments can include fixed payments or variable lease payments that depend on an index or a rate known at commencement date. The lease liability is subsequently measured at amortised cost using the effective interest rate method and remeasured when there is a change in the future lease payments as a result of a lease renegotiation, changes of an index or rate or in the case of reassessment of options. Right-of-use assets are measured at cost, net of accumulated depreciation and impairment losses, and adjusted for any subsequent remeasurement of lease liabilities. Cost includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are recognised at the commencement date of the lease (the date the underlying asset is available for use) and are classified as property or equipment. Right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. Right-of-use assets are subject to testing for impairment if there is an indicator for impairment, as for owned assets.

The Group applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date. It also applies the low value asset recognition exemption to leases of low value assets. Lease payments on short-term leases and leases of low-value assets are recognised as an expense to the income statement, as well as costs relating to variable lease payments that are not dependent on an index or rate.

#### ***The Group as lessor***

The Group acts as a lessor of some properties. Leases in which substantially all of the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee by the lessor are classified as finance leases, otherwise the lease is classified as an operating lease. This assessment is performed with reference to the head lease right-of-use asset.

#### **Inventories**

Inventories are stated at the lower of cost (applying the standard costing method) and net realisable value. The cost includes expenditure incurred in acquiring the inventories including supplier costs, inbound duty, and freight. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Provision is made for those inventory items where the net realisable value is estimated to be lower than cost. Net realisable value is based on both historical experience and assumptions regarding estimated future sales value.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise bank account balances and cash in transit.

#### **Equity**

##### ***Ordinary shares***

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

##### ***Share premium***

The share premium account represents the amount subscribed for share capital in excess of nominal value, less any costs directly attributable to the issue of new shares.

##### ***Translation reserve***

Translation reserve represents the cumulative foreign currency translation differences arising on consolidation of foreign operations.

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

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### 1. Accounting policies (continued)

#### Equity (continued)

##### **Retained deficit**

The retained deficit represents the cumulative net gains and losses recognised in the income statement.

##### **Dividends**

Dividends on ordinary share capital are recognised as a liability in the Group's financial statements in the period in which they are declared. In the case of interim dividends, these are considered to be declared when they are paid and in the case of final dividends these are declared when authorised by the shareholders.

##### **Capital contribution reserve**

Capital contribution reserve represents capital contributed from the parent recognised at fair value of the debt forgiven by the parent company.

#### **Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

#### **Finance income and expense**

Finance income comprises interest received on cash balances.

Finance expense comprises interest payable on borrowings, amortisation and write-off of debt issuance costs and the unwinding of the discount on non-current provisions.

Interest is recognised in the income statement as it accrues, using the effective interest rate. Interest payable on borrowings includes a charge in respect of attributable transaction costs, which are recognised in the income statement over the period of the borrowings on an effective interest basis.

#### **Financial instruments**

Financial assets and liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

##### **Trade and other receivables**

Trade receivables are recorded initially at fair value and subsequently assessed for impairment. The impairment is recognised based on management's expectation of losses, applying an expected credit loss model.

##### **Classification of financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities.

##### **Bank borrowings**

Interest-bearing bank borrowings are initially recorded at fair value, which equals the proceeds received, net of direct issue costs. They are subsequently held at amortised cost. Finance charges are accounted for using an effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

##### **Loans**

Long-term loans are initially measured at fair value net of direct issue costs and are subsequently held at amortised cost.

##### **Trade payables**

Trade payables are recorded initially at fair value and subsequently measured at amortised cost. Generally, this results in their recognition at their nominal value.

##### **Equity instruments**

Equity instruments issued by the Company are recorded at the consideration received, net of direct issue costs.

# **All Saints Retail Limited**

## **Notes to the Group financial statements (continued)**

### **1. Accounting policies (continued)**

#### **Current and deferred income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### **Employee benefits**

##### **Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### **Pension obligations**

The Group operates employee optional stakeholder retirement and death schemes. Both employee and employers are required to make contributions with the employers' contributions for each employee determined by the level of contribution made by the employee. The employer's contributions are charged to the income statement in the year in which the contributions are due.

#### **Current versus non-current classification**

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

# **All Saints Retail Limited**

## **Notes to the Group financial statements (continued)**

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### **1. Accounting policies (continued)**

#### **Current versus non-current classification (continued)**

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **Provisions**

Provisions for property, restructuring costs and legal claims are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated

Provisions for dilapidation are recognised in full when the related facilities are installed. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related property. The amount recognised is the estimated cost of dilapidations, discounted to its net present value, and is reassessed each year in accordance with local conditions and requirements. Changes in the estimated timing of dilapidations or dilapidations cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment. The unwinding of the discount on the dilapidations provision is included as a finance expense.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

#### **Revenue recognition**

Revenue comprises sales of goods to customers outside the Group less discounts and is stated net of value added tax and other sales taxes. Revenue is recognised when performance obligations are satisfied, generally when goods are delivered to the customer or our third-party partners or, if on dispatch and the control of goods is transferred to the buyer.

Management estimate and make provision for goods that have been sold within the financial year but returned past the balance sheet date using a Returns model. The model uses historical returns data by region and channel to predict an expected returns percentage which is then applied to actual sales to determine an expected returns value. Actual returns could vary from such estimates.

#### **Government grants**

Grants from public authorities are recognised when the Group meets the conditions associated with the grant with sufficient certainty and the benefits are granted. The grants are recognised as a deduction against the eligible expenses in the income statement over the periods necessary to match them with the related costs.

#### **Fair value measurement**

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Set out below is an analysis of the valuation method of the Group's financial instruments:

The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable, for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

## **All Saints Retail Limited**

### **Notes to the Group financial statements (continued)**

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#### **1. Accounting policies (continued)**

##### **Fair value measurement (continued)**

The Group has no assets or liabilities where differences between fair and carrying values have been determined for measurement purposes.

##### **Exceptional items**

Exceptional items are disclosed separately in the income statement where it is necessary to do so to provide further understanding of the financial performance of the Group. Exceptional items are items of one-off income or expense that have been shown separately due to the significance of their nature or amount. Property related exceptional items include gains or losses on the remeasurement of leases. Other exceptional items include tax related charges, refinancing costs and reorganisation related costs.

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 2. Revenue by geographical region

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	£'000	£'000
UK	129,569	189,057
North America	90,983	121,880
Asia	28,566	31,857
Europe	12,343	21,285
	<b>261,461</b>	<b>364,079</b>

### 3. Operating profit

Operating profit/(loss) is stated after charging/(crediting):

		52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	Note	£'000	£'000
Amortisation of intangible assets	9	4,019	3,985
Depreciation of property, plant and equipment	10	9,900	11,737
Depreciation of right-of-use assets	11	19,113	32,100
Foreign currency translation losses/(gains)		314	(93)

Operating exceptional items comprise:

		52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
		£'000s	£'000s
<b>Administrative expenses</b>			
One-off charges for sales and property tax		123	1,526
Impairment	10 & 11	229	4,163
Store closure and CVA related costs		5,685	-
Restructuring related costs		114	591
Refinancing related costs		673	271
Gain on remeasurement of leases	11	(33,378)	-
		<b>(26,554)</b>	<b>6,551</b>

Auditors' remuneration for audit and non-audit services during the period was:

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	£'000s	£'000s
<b>Auditors' remuneration</b>		
- audit services	295	225
- other	18	22
	<b>313</b>	<b>247</b>

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 4. Employees

The average number of people employed by the Group (including directors) during the period was as follows:

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	Number	Number
Directors	3	3
Administration and sales	2,498	2,886
	<b>2,501</b>	<b>2,889</b>

The aggregate remuneration costs of these employees are presented net of furlough relief:

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	£'000	£'000
Wages and salaries	42,934	57,525
Social security costs	4,373	5,612
Pension costs	1,103	966
	<b>48,410</b>	<b>64,103</b>

See note 21 for details of furlough relief received during the period.

### 5. Directors

The remuneration costs of the Group's directors were:

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	£'000	£'000
Aggregate remuneration and other emoluments	656	613
Pension contributions	3	-
	<b>659</b>	<b>613</b>

The remuneration of the highest paid director was:

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	£'000	£'000
Aggregate emoluments	448	488
Pension costs	1	-
	<b>449</b>	<b>488</b>

The amounts disclosed above represent the remuneration for the qualifying services of the directors of the Group.

IAS 24 *Related party transactions* ("IAS 24") requires the Group to disclose all transactions and outstanding balances with the Group's key management personnel. IAS 24 defines key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The key management personnel who are responsible for planning, directing and controlling the activities of the Group are the Group's directors.

At 30 January 2021 there were no amounts due to key management personnel (2020: £nil).

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 6. Finance income

	52 weeks ended 30 January 2021 £'000	52 weeks ended 1 February 2020 £'000
Interest received on finance leases	62	91
	<b>62</b>	<b>91</b>

### 7. Finance expense

	52 weeks ended 30 January 2021 £'000	52 weeks ended 1 February 2020 £'000
Interest payable and similar charges	619	298
Interest accrued on shareholder loans	28,874	31,464
Interest on borrowing facility	1,237	1,274
Interest cost on lease liability	4,722	8,800
	<b>35,452</b>	<b>41,836</b>



# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 8. Income tax expense

#### Analysis of tax expense in the period

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	£'000	£'000
<b>Current tax</b>		
Current UK tax on loss for the year	39	1,517
Adjustments for current UK tax of prior periods	(10)	161
Double taxation relief	(39)	(1,455)
Current non-UK tax on loss for the year	276	2,340
Adjustments for current non-UK tax of prior periods	1,285	1,346
<b>Total current tax expense</b>	<b>1,551</b>	<b>3,909</b>
<b>Deferred income tax</b>		
Origination and reversal of temporary differences	(804)	9,621
Effect of changes in tax rates	-	(428)
<b>Total deferred tax (benefit)/expense</b>	<b>(804)</b>	<b>9,193</b>
<b>Income tax expense</b>	<b>747</b>	<b>13,102</b>

#### Factors affecting the tax expense in the period

	52 weeks ended 30 January 2021	52 weeks ended 1 February 2020
	£'000	£'000
<b>Loss before tax</b>	<b>(34,740)</b>	<b>(32,341)</b>
Tax at the UK tax rate of 19.0% (2020: 19%)	(6,601)	(6,145)
<b>Effects of:</b>		
Tax effect of amounts which are not taxable in calculating taxable income	(31)	-
Tax effect of amounts which are not deductible in calculating taxable income	9,415	6,521
Movement in temporary differences not recognised in deferred tax	(3,103)	9,097
Difference in tax rates	(208)	2,122
Adjustments for current tax of prior periods	1,275	1,507
<b>Income tax expense</b>	<b>747</b>	<b>13,102</b>

#### Factors that may affect future tax charge

As enacted on 10 June 2021 the Corporation Tax rate in the UK will increase to 25% from 1 April 2023. Further, the US Government has announced plans to increase the Federal tax rate, however, nothing has been substantively enacted at the Group's Balance Sheet date and therefore has not been reflected in the measurement of Deferred tax balances at the period end.

Deferred tax assets and liabilities have therefore been measured at either 19.0% or 25.70% (the effective rate of US tax as at 30 January 2021), as appropriate, in these financial statements.

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 9. Intangible assets

	Trademarks £'000	Computer software and website platform costs £'000	Total £'000
<b>Cost</b>			
At 1 February 2020	4,225	27,176	31,401
Foreign exchange adjustments	8	(52)	(44)
Additions	27	2,482	2,509
At 30 January 2021	4,260	29,606	33,866
<b>Amortisation</b>			
At 1 February 2020	3,174	17,320	20,494
Foreign exchange adjustments	18	(40)	(22)
Charge for the year	610	3,409	4,019
At 30 January 2021	3,802	20,689	24,491
<b>Net book value</b>			
At 30 January 2021	458	8,917	9,375

	Trademarks £'000	Computer software and website platform costs £'000	Total £'000
<b>Cost</b>			
At 2 February 2019	3,813	23,138	26,951
Foreign exchange adjustments	-	181	181
Additions	412	3,857	4,269
At 1 February 2020	4,225	27,176	31,401
<b>Amortisation</b>			
At 2 February 2019	2,696	13,809	16,505
Foreign exchange adjustments	17	(13)	4
Charge for the year	461	3,524	3,985
At 1 February 2020	3,174	17,320	20,494
<b>Net book value</b>			
At 1 February 2020	1,051	9,856	10,907

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 10. Property, plant and equipment

	Capitalised leasehold costs £'000	Fixtures, fittings and equipment £'000	Office and computer equipment £'000	Total £'000
<b>Cost</b>				
At 1 February 2020	1,935	168,501	15,138	185,574
Foreign exchange adjustments	17	(1,715)	42	(1,656)
Additions	57	2,446	414	2,917
Disposals	(410)	(14,923)	(713)	(16,046)
At 30 January 2021	1,599	154,309	14,881	170,789
<b>Depreciation</b>				
At 1 February 2020	1,409	146,470	12,548	160,427
Foreign exchange adjustments	(77)	(2,124)	(346)	(2,547)
Charge for the year	223	8,622	1,055	9,900
Disposals	(410)	(14,923)	(713)	(16,046)
Impairment loss	-	60	-	60
At 30 January 2021	1,145	138,105	12,544	151,794
<b>Net book value</b>				
At 30 January 2021	454	16,204	2,337	18,995

As a result of the annual assessment of cash generating units for impairment, a charge of £0.1 million was recorded for impairment of property, plant and equipment. This charge comprised of one store and was a result of the value-in-use being less than the carrying value of the cash generating unit. The cost of impairment of assets has been included in exceptional items as the Directors have deemed them to be one-off expenses.

	Capitalised leasehold costs £'000	Fixtures, fittings and equipment £'000	Office and computer equipment £'000	Total £'000
<b>Cost</b>				
Restated at 2 February 2019	4,696	160,967	14,817	180,480
Adjustment on initial application of IFRS 16	(2,120)	-	-	(2,120)
Foreign exchange adjustments	21	1,086	(259)	848
Additions	118	6,448	580	7,146
Disposals	(780)	-	-	(780)
At 1 February 2020	1,935	168,501	15,138	185,574
<b>Depreciation</b>				
Restated at 2 February 2019	2,945	135,203	12,127	150,275
Adjustment on initial application of IFRS 16	(1,085)	-	-	(1,085)
Foreign exchange adjustments	(177)	274	(660)	(563)
Charge for the year	506	10,150	1,081	11,737
Disposals	(780)	-	-	(780)
Impairment loss	-	843	-	843
At 1 February 2020	1,409	146,470	12,548	160,427
<b>Net book value</b>				
At 1 February 2020	526	22,031	2,590	25,147

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 11. Right-of-use assets

	Property £'000	Equipment £'000	Total £'000
<b>Net book value</b>			
Net book value at 1 February 2020	138,473	157	138,630
Additions	11,877	-	11,877
Remeasurement	(83,271)	-	(83,271)
Depreciation charge	(19,041)	(72)	(19,113)
Impairment charge	(169)	-	(169)
Foreign exchange adjustments	345	-	345
<b>At 30 January 2021</b>	<b>48,214</b>	<b>85</b>	<b>48,299</b>

	Property £'000	Equipment £'000	Total £'000
<b>Net book value</b>			
Net book value at 2 February 2019	-	-	-
Adjustment on initial application of IFRS 16	162,747	204	162,951
Net book value at 3 February 2019	162,747	204	162,951
Additions	11,202	20	11,222
Depreciation charge	(32,033)	(67)	(32,100)
Impairment charge	(2,808)	-	(2,808)
Foreign exchange adjustments	(635)	-	(635)
<b>At 1 February 2020</b>	<b>138,473</b>	<b>157</b>	<b>138,630</b>

As outlined in the Group strategic report, the Group launched CVAs to remove lease liabilities that had accrued during the initial COVID-19 lockdown period and to align future rents to sales performance. Leases which have moved to variable based rents (that are linked to store turnover) are no longer included in the measurement of the lease liability.

The CVA terms remain in place for three years from the 3rd and 6th July 2020. At the end of the three-year period, the affected leases for the UK stores will revert to contractual rents whereas the North American stores will have a market rent agreed between both parties. As at year end January 2021, market rents are assumed to continue as variable based rents until lease expiry. Variable lease payments are recognised directly in profit & loss and the maturity is disclosed in the table below.

As a result of the CVAs, the lease liability was remeasured to reflect zero minimum payments for the three-year period for the UK affected stores and until lease expiry for the North American affected stores. An equal and opposite adjustment reduced the right-of-use asset, and if the carrying amount of the right-of-use asset was reduced to zero, then the remaining amount was recognised in profit & loss.

The reduction in the lease liability was £116.7 million (note 26), the reduction in the right-of-use asset was £83.3 million (above), and the resulting gain to profit & loss was £33.4 million (note 3).

The expense relating to short-term leases and leases of low value assets (as described in note 1) and the costs relating to variable lease payments amounted to £7.8 million. Net cash outflow for leases applying IFRS 16 amounted to £8.2 million.

As per COVID-19 related rent concessions (amendment to IFRS 16), rent concessions totalling £0.5 million have been accounted for as variable lease payments (included above) and are recognised in profit & loss. These relate to concessions provided by the landlord during store closures.

Lease commitments for leases not commenced at year-end amounted to £6.8 million.

As a result of the annual assessment of cash generating units for impairment, a charge of £0.2 million was recorded for impairment of property, plant and equipment. This charge was a result of the value-in-use being less than the carrying value. The cost of impairment of assets has been included in exceptional items rather than operating costs as it is infrequent in nature.

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 11. Right-of-use assets (continued)

The following table shows a maturity analysis of the lease payments receivable from finance subleases:

	30 January 2021 £'000	1 February 2020 £'000
<b>Maturity analysis - undiscounted lease payments receivable</b>		
Within one year	146	555
Greater than one year but less than two years	151	559
Greater than two years but less than three years	155	477
Greater than three years but less than four years	53	278
<b>Total undiscounted payments</b>	<b>505</b>	<b>1,869</b>
Unearned finance income	(49)	(138)
<b>Net investment/(lease receivables)</b>	<b>456</b>	<b>1,731</b>

Income from subleasing right-of-use assets amounted to £0.3 million.

### 12. Trade and other receivables

	30 January 2021 £'000	1 February 2020 £'000
<b>Current</b>		
Trade receivables	12,557	17,686
Other receivables	5,255	2,716
Prepayments, accruals and deferred expenses	2,904	6,462
	<b>20,716</b>	<b>26,864</b>

The carrying value of trade and other receivables is a reasonable approximation of the fair value of trade and other receivables.

The trade receivables provisions included in administrative expense for the period ended 30 January 2021 was £nil (2020: £0.3 million)

Other receivables include cash collateralised letter of credits, duty reclaims and amounts receivable for furloughed employees.

	30 January 2021 £'000	1 February 2020 £'000
<b>Non-current</b>		
Other receivables	2,449	3,086
	<b>2,449</b>	<b>3,086</b>

Other receivables include refundable security deposits on rental properties and finance lease receivables.

### 13. Inventories

	30 January 2021 £'000	1 February 2020 £'000
Finished goods and goods for resale	51,984	64,709
Write down of inventories	(3,106)	(1,985)
	<b>48,878</b>	<b>62,724</b>

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 13. Inventories (continued)

The following table details the movements in the provision for impairment of inventories:

	30 January 2021	1 February 2020
	£'000	£'000
Balance at the beginning of the period	1,985	1,463
Written down inventory sold during the period	(1,307)	(2,155)
Write down during the period	2,428	2,677
Balance at the end of the period	3,106	1,985

The cost of inventories included in cost of sales was £113.7 million (2020: £126.6 million).

The net movement in inventory provisions included in cost of sales for the period ended 30 January 2021 was an increase of £1.1 million (2020: increase £0.5 million).

### 14. Trade and other payables

	30 January 2021	1 February 2020
	£'000	£'000
<b>Current</b>		
Trade payables	22,299	25,658
Other taxes and social security costs	7,187	10,217
Other payables	1,573	980
Accruals	19,370	17,895
Returns provision	2,387	909
	52,816	55,659
<b>Non-current</b>		
Other payables	530	263
	530	263

The carrying value of trade and other payables is a reasonable approximation of the fair value of trade and other payables.

### 15. Provisions

	Onerous lease costs £'000	Dilapidation costs £'000	Total £'000
At 2 February 2019	9,029	5,259	14,288
Adjustment on initial application of IFRS 16	(7,884)	-	(7,884)
Additions	-	1,293	1,293
Utilised during the year	-	(501)	(501)
Release during the year	(1,145)	(603)	(1,748)
Unwind of provision	-	170	170
Foreign currency translation differences	-	14	14
At 1 February 2020	-	5,632	5,632
Additions	-	719	719
Utilised during the year	-	(223)	(223)
Release during the year	-	(1,029)	(1,029)
Unwind of provision	-	220	220
Foreign currency translation differences	-	(80)	(80)
At 30 January 2021	-	5,239	5,239

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 15. Provisions (continued)

The breakdown of provisions between current and non-current is as follows:

	30 January 2021	1 February 2020
	£'000	£'000
Current	2,041	1,384
Non-current	3,198	4,248
	<b>5,239</b>	<b>5,632</b>

The dilapidations provision represents the present value of future property reinstatement costs and is recognised when there is an obligation to return the property to its original condition upon exit. The costs are recognised in tangible assets. There are inherent uncertainties in assessing the provisions for future outflows.

### 16. Lease Liabilities

The following tables show the discounted lease liabilities included in the Group balance sheet and a maturity analysis of the contractual undiscounted lease payments:

	30 January 2021	1 February 2020
	£'000	£'000
<b>Lease liabilities</b>		
Current	9,514	30,770
Non-current	51,768	140,465
<b>Total lease liabilities</b>	<b>61,282</b>	<b>171,235</b>

	30 January 2021	1 February 2020
	£'000	£'000
<b>Maturity analysis - contractual undiscounted lease payments</b>		
Within one year	11,731	38,073
Greater than one year but less than five years	45,448	123,646
Greater than five years but less than ten years	11,615	34,145
<b>Total undiscounted payments</b>	<b>68,794</b>	<b>195,864</b>

### 17. Borrowings

	30 January 2021	1 February 2020
	£'000	£'000
<b>Current</b>		<i>*Restated</i>
Term loan	2,229	2,229
Revolving credit facility	13,915	10,854
	<b>16,144</b>	<b>13,083</b>

	30 January 2021	1 February 2020
	£'000	£'000
<b>Non-current</b>		
Term loan	2,507	4,736
Amounts owed to parent undertaking	115,633	271,116
	<b>118,140</b>	<b>275,852</b>

The term loan owed to Bank of America, N.A. had an interest rate of 3.0% plus LIBOR per annum, giving an average of 3.6% for the period. The term loan was repaid in full on 21 September 2021.

As at 30 January 2021, the Group had undrawn committed borrowing facilities of £16.5 million (2020: £19.1 million).

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 17. Borrowings (continued)

On 21 September 2021, the Group changed its financing facility provider from Bank of America, N.A. and secured a new five-year, £65 million funding facility with Wells Fargo Capital Finance. Details of this new financing arrangement are included in note 25.

Loans owed to parent undertaking have an interest rate at 12.5% per annum.

### Restatement of cash and cash equivalents

During the review and completion of the 2021 Annual Report and Accounts, it was identified that the revolving credit facility should be presented gross of the cash balance as there is no formal right of offset, required under IAS 32 for a net presentation. The adjustment to the amounts previously reported at 1 February 2020, which were previously presented net is:

Line item	Restated figure (£'000)	Adjustment (£'000)	Figure previously reported (£'000)
Cash and cash equivalents	13,133	10,854	2,279
Borrowings	(13,083)	(10,854)	(2,229)

The Directors note that the adjustment is presentational in nature and grosses up cash and short-term borrowings by the amount of the RCF which is disclosed at the foot of the cash flow statement.

The cash and cash equivalents shown in the cash flow statement have also been restated to exclude the revolving credit facility from the definition of the cash and cash equivalents, in line with IAS 7. As such the cash and cash equivalents brought forward in the cash flow statement is now shown as £16.4 million being the opening bank balance as at 2 February 2019.

The following line items in the cashflow for the 52 weeks ending 1 February 2020 have been adjusted:

Line item	Restated figure (£'000)	Adjustment (£'000)	Figure previously reported (£'000)
Cash in/(out) flow from the revolving credit facility	(5,268)	(5,268)	-
Net cash used in financing activities	(29,349)	(5,268)	(24,081)
Net (decrease)/increase in cash	(3,282)	(5,268)	1,986
Cash and cash equivalents at the start of the period	16,415	16,122	293
Cash and cash equivalents at the end of the period	13,133	10,854	2,279

### 18. Deferred tax

	Property, plant and equipment £'000	Provisions £'000	Tax losses £'000	Total £'000
At 3 February 2020				
Deferred tax assets	-	-	-	-
Deferred tax liabilities	-	-	-	-
At 3 February 2020	-	-	-	-
Debit to the income statement	-	-	-	-
Credit to the income statement	-	-	804	804
Net (debit)/credit to the income statement	-	-	804	804
Foreign exchange	-	-	-	-
At 30 January 2021	-	-	804	804
<b>Deferred tax assets</b>	-	-	804	<b>804</b>
<b>Deferred tax liabilities</b>	-	-	-	<b>-</b>
<b>At 30 January 2021</b>	-	-	<b>804</b>	<b>804</b>



# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 18. Deferred tax (continued)

	Property, plant and equipment £'000	Provisions £'000	Tax losses £'000	Total £'000
At 2 February 2019				
Deferred tax assets	3,516	5,173	1,373	10,062
Deferred tax liabilities	(797)	-	-	(797)
At 2 February 2019	2,719	5,173	1,373	9,265
Debit to the income statement	(3,985)	(5,153)	(1,418)	(10,556)
Credit to the income statement	1,357	3	3	1,363
Net debit to the income statement	(2,628)	(5,150)	(1,415)	(9,193)
Foreign exchange	(91)	(23)	42	(72)
At 1 February 2020	-	-	-	-
<b>Deferred tax assets</b>	-	-	-	-
<b>Deferred tax liabilities</b>	-	-	-	-
<b>At 1 February 2020</b>	-	-	-	-

Potential deferred tax assets have not been recognised on the basis that it is probable that the differences will not reverse in the foreseeable future.

The following table lists the Group's unrecognised deferred tax assets:

	30 January 2021 £'000	1 February 2020 £'000
Property, plant and equipment	5,736	9,043
Provisions	1,475	1,216
Tax losses	1,720	1,851
<b>Total</b>	<b>8,931</b>	<b>12,110</b>

The potential deferred tax asset in respect of tax losses will expire as follows:

	30 January 2021 £'000	1 February 2020 £'000
<b>Expires:</b>		
2041	246	-
2027	955	1,108
2026	139	139
2023	363	587
2022	17	17
	<b>1,720</b>	<b>1,851</b>

### 19. Share Capital

	30 January 2021 £	1 February 2020 £
<b>Authorised, issued, called up and fully paid</b>		
17,171 ordinary shares of 1 pence each	172	172
	<b>172</b>	<b>172</b>

### 20. Capital contribution reserve

On 16 October 2020, the Group's immediate parent, Lion/Heaven UK II Limited, contributed £184.4 million in the form of forgiven intercompany loan interest. Consequently, the Group has fully presented this contribution in the capital contribution reserve.

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 21. Government support

During the 2021 period, the Group received government support in connection to the COVID-19 pandemic response. The support offered by governments involved furlough and job retention schemes, relief of business rates and tax deferral plans.

The Group received £7.8 million of relief through government furlough programmes such as the Coronavirus Job Retention Scheme (CJRS) in the UK and other equivalent schemes in certain countries that AllSaints operates in. The gross remuneration costs of employees disclosed is:

	<b>Gross Cost</b>	<b>Furlough Relief</b>	<b>Net Cost</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Wages and salaries	50,502	7,568	42,934
Social security costs	4,578	205	4,373
Pension costs	1,162	59	1,103
	<b>56,242</b>	<b>7,832</b>	<b>48,410</b>

### 22. Financial instruments

#### Financial risk management

The Group holds and uses financial instruments to finance its operations and to manage its interest rate and liquidity risks. The Group primarily finances its operations using revenue and borrowings.

The Group's activities expose it to a variety of financial risks: market risk (interest rate risk and foreign exchange risk), credit risk and liquidity risk.

Risk management is carried out under policies approved by the board of directors. Financial risk management is carried out by the Senior Accounting Officer under a policy approved by the board. The board approves written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and liquidity risk and receives regular reports on such matters.

The Group does not engage in trading or speculative activities using derivative financial instruments. The carrying amount of financial assets represents the maximum credit exposure.

#### **Market risk**

Market risk is the risk that changes in prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments.

#### **Interest rate risk**

Interest rate risk is the risk of a change in the Group's cash flows due to a change in interest rates. The Group borrowings with its ultimate parent, Lion/Heaven UK Limited, are all fixed interest borrowings and therefore directors do not consider interest rate risk to be a significant risk to the Group.

#### **Foreign exchange risk**

Foreign exchange risk is the risk of a change in the Group's cash flows due to a change in foreign currency exchange rate. The Group is exposed to foreign currency exchange rate risk on the cash flows and carrying values of its non-UK operations and through its supplier payment structure. The directors monitor these risks and take appropriate steps to minimise the Group's exposure to potential volatility in these areas

#### **Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fail to meet its contractual obligations and arises principally from the Group's receivables from customers.

The directors consider the Group's credit risk from cash, cash equivalents and deposits to be low as the Group only enters transactions with banks or financial institutions with a credit rating of A or above.

The Group has policies in place to manage potential credit risk from trade receivables. Customer credit terms are determined using independent ratings agency data and regularly updated to reflect any changes in customer circumstances or trading conditions. If no independent rating is available an internal assessment is made of the credit quality of the customer, taking into account their financial position and past trading history of the Group. The directors do not expect any significant losses of receivables that have not been provided for as shown in note 12.

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 22. Financial instruments (continued)

#### Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group finance department regularly monitors forecasts of the Groups liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below summarises the contractual maturity of the Group's non-derivative financial liabilities, excluding current trade and other payables, income tax payable and provisions. The carrying value of all current trade and other payables, income tax payable and provisions of £59.0 million (2020: £62.2 million) is within one year.

30 January 2021	Carrying amount	Within one year	Greater than one year but less than two years	Greater than two years
	£'000	£'000	£'000	£'000
Non-current trade and other payables	530	131	176	223
Revolving credit facility	13,915	13,915	-	-
Term loan	4,736	2,229	2,507	-
<b>Total</b>	<b>19,181</b>	<b>16,275</b>	<b>2,683</b>	<b>223</b>

1 February 2020	Carrying amount	Within one year	Greater than one year but less than two years	Greater than two years
	£'000	£'000	£'000	£'000
Non-current trade and other payables	263	133	45	85
Revolving credit facility	10,853	10,853	-	-
Term loan	6,964	2,229	2,229	2,506
<b>Total</b>	<b>18,080</b>	<b>13,215</b>	<b>2,274</b>	<b>2,591</b>

See note 16 for maturity of lease liabilities.

#### Capital management

The Group relies on capital for organic growth. The Group defines capital as equity as shown in the statement of financial position plus net debt and seeks to achieve an acceptable return on capital.

Net debt is defined as:

	30 January 2021	1 February 2020
	£'000	£'000
Cash and cash equivalents	11,629	13,133
Borrowings - current	(16,144)	(13,083)
Borrowings - non-current	(2,507)	(4,736)
<b>Net debt position</b>	<b>(7,022)</b>	<b>(4,686)</b>

The Group manages its capital structure using a number of measures and taking into account its future strategic plans. Such measures include ensuring the Group maintains sufficient liquidity from the cash that the Group has generated from operations.

#### Fair value

Financial assets comprise trade and other receivables and cash and cash equivalents. Financial liabilities comprise trade and other payables and borrowings from the Group's ultimate parent company.

The fair value of all financial assets and liabilities is not materially different from their carrying value.

# **All Saints Retail Limited**

## **Notes to the Group financial statements (continued)**

### **23. Related party transactions**

As part of a services agreement with John Varvatos, the Group charged £0.4 million for services provided during the period ended 30 January 2021 prior to the transfer of the John Varvatos business into the Group which was completed in October 2021.

During the period the Company and the Group recorded interest of £28.9 million (2020: £31.5 million) to the Group's immediate parent entity Lion/Heaven UK II Limited as disclosed in note 7.

At 30 January 2021 the Company and the Group owed £115.6 million (2020: £271.1 million) to the Group's immediate parent entity Lion/Heaven UK II Limited as disclosed in note 17.

As part of the CVA process, and following shareholder approval, the Group's immediate parent, Lion/Heaven UK II Limited forgave £184.4 million of intercompany debt which has had the impact of strengthening the Group's balance sheet.

At 30 January 2021 the Company and the Group was owed £0.2 million (2020: £0.2 million) by Lion/Heaven Co-Investors LP, the private equity fund operated by Lion Capital LLP.

### **24. Key management personnel**

Related party transactions with key management personnel have been disclosed in note 5.

### **25. Events after the reporting date**

On 25 February 2021, £13.0 million unsecured PIK fixed rate loan notes ('loan notes') were issued to Lion/Heaven UK Limited from the ultimate parent company. Lion/Heaven UK Limited issued an inter-company loan to Lion/Heaven UK II Limited of £13.0 million which in turn issued a £13.0 million intercompany loan to All Saints Retail Limited. The loan incurs interest of 12.5% per annum.

On 21 September 2021, the Group secured a new five-year, £65 million funding facility with Wells Fargo Capital Finance comprising of; a £50 million 5-year revolving credit facility (with an option to increase this to £55 million over the period September to December each year) with an interest rate of 2% + SONIA; and a £10 million intellectual property backed term loan (which may be drawn down in January 2022) with an interest rate of 3.25% + SONIA. The intellectual property backed loan will run concurrently with the revolving credit facility.

There is also an Accordion (uncommitted incremental facility) of up to £10 million which may be drawn down to expand the maximum available under the revolving credit facility.

On 3 October 2021, Lion/Heaven Cayman Limited, the Group's ultimate parent company, contributed JV Asset Holdco LLC and JVUK Holdco Limited to Lion/Heaven UK Limited in exchange for a £1 ordinary share in Lion/Heaven UK Limited. Lion/Heaven UK Limited contributed the John Varvatos business to Lion/Heaven UK II Limited in exchange for a £1 ordinary share. Lion/Heaven UK II Limited contributed the John Varvatos business to All Saints Retail Limited for a £1 ordinary share. As at the date of transfer into All Saints Retail Limited, the John Varvatos business had a cash balance of \$14.4 million.

JV Asset Holdco LLC is the holding company for John Varvatos, a US premium menswear retailer. JV Asset Holdco LLC is incorporated in the USA and JVUK Holdco Limited is incorporated in the UK.

### **26. Note supporting statement of cash flows**

Significant non-cash transactions in the year in respect of financing activities comprised unpaid interest rolled up into the amounts owed to parent undertaking of £28.9 million (2020: £31.5 million).

# All Saints Retail Limited

## Notes to the Group financial statements (continued)

### 26. Note supporting statement of cash flows (continued)

The following table shows the changes in liabilities from financing activities:

	1 February 2020 £'000	Cash flows (financing) £'000	Foreign exchange movements £'000	New leases £'000	Other <sup>1</sup> £'000	30 January 2021 £'000
Current term loan	2,229	(2,229)	-	-	2,229	2,229
Current revolving credit facility	10,854	3,061	-	-	-	13,915
Non-current term loan	4,736	-	-	-	(2,229)	2,507
Current Lease liabilities	30,770	(4,862)	28	318	(16,740)	9,514
Non-current Lease liabilities	140,465	-	152	11,519	(100,368)	51,768
	<b>189,054</b>	<b>(4,030)</b>	<b>180</b>	<b>11,837</b>	<b>(117,108)</b>	<b>79,933</b>

1. Other includes remeasurements of the lease liability of £116.6 million (2020: £nil) as a result of the CVAs (refer to note 11) and COVID-19-rent related forgiveness of £0.5 million (2020: £nil) which have been recognised as a credit in the Income Statement at 30 January 2021. Also included are non-cash movements between non-current and current lease liability balances.

	2 February 2019 £'000	Cash flows (financing) £'000	Foreign exchange movements £'000	New leases £'000	Other <sup>1</sup> £'000	1 February 2020 £'000
Current term loan	-	2,229	-	-	-	2,229
Current revolving credit facility	16,122	(5,268)	-	-	-	10,854
Non-current term loan	-	4,736	-	-	-	4,736
Current lease liabilities	30,246	(31,045)	(176)	715	31,029	30,770
Non-current lease liabilities	162,052	-	(804)	10,246	(31,029)	140,465
	<b>208,420</b>	<b>(29,348)</b>	<b>(980)</b>	<b>10,962</b>	<b>-</b>	<b>189,054</b>

1. Other represents non-cash movements between non-current and current lease liability balances.

### 27. Immediate and ultimate parent company

At 30 January 2021, funds managed by Lion Capital LLP were the Group and Company's ultimate parent undertaking and controlling party.

Lion/Heaven UK II Limited is the Company's immediate parent company.

Lion/Heaven UK Limited is a company incorporated in England (company number 07616749) and is parent of the smallest and largest group for which consolidated financial statements are prepared and of which the Company is a member. Lion/Heaven UK Limited's financial statements can be obtained from Companies House.

# All Saints Retail Limited

## Company statement of financial position

At 30 January 2021

Company number 4096157

	Note	30 January 2021 £'000	1 February 2020 £'000 <i>*Restated</i>
<b>Non-current assets</b>			
Intangible assets	31	9,249	10,665
Property, plant and equipment	32	10,660	12,617
Right-of-use asset	33	34,405	72,577
Investments	34	2,383	2,383
Trade and other receivables	37	28,561	29,568
Deferred tax asset	43	804	-
		<b>86,062</b>	<b>127,810</b>
<b>Current assets</b>			
Inventories	36	25,769	35,517
Trade and other receivables	37	61,453	39,576
Cash and cash equivalents		3,704	4,701
		<b>90,926</b>	<b>79,794</b>
<b>Current Liabilities</b>			
Trade and other payables	38	(82,715)	(69,942)
Provisions	40	(1,008)	(1,225)
Lease liabilities	41	(4,893)	(16,169)
Borrowings	42	(16,144)	(13,083)
		<b>(104,760)</b>	<b>(100,419)</b>
<b>Net current assets</b>		<b>(13,834)</b>	<b>(20,625)</b>
<b>Total assets less current liabilities</b>		<b>72,228</b>	<b>107,185</b>
<b>Non-current liabilities</b>			
Trade and other payables	39	(300)	(14)
Provisions	40	(1,775)	(2,180)
Lease liabilities	41	(37,885)	(62,430)
Borrowings	42	(119,423)	(277,135)
		<b>(159,383)</b>	<b>(341,759)</b>
<b>Net liabilities</b>		<b>(87,155)</b>	<b>(234,574)</b>
<b>Equity</b>			
Share capital	44	-	-
Share premium		9,555	9,555
Translation reserve		(962)	(707)
Capital contribution reserve	45	184,358	-
Accumulated deficit		(280,106)	(243,422)
<b>Equity shareholders deficit</b>		<b>(87,155)</b>	<b>(234,574)</b>

\*See note 42 for details of the restatement.

The notes on pages 46 to 56 form part of these financial statements.

The financial statements on pages 44 to 45 were approved and authorised for issue by the board of directors on 13 December 2021 and were signed on its behalf by:



P. Wood

## All Saints Retail Limited

### Company statement of changes in equity

At 30 January 2021

	Share capital	Share premium	Translation reserve	Capital contribution reserve	Accumulated deficit	Total equity
	£'000	£'000	£'000		£'000	£'000
<b>Restated at 2 February 2019</b>	-	9,555	(606)	-	(207,297)	(198,348)
Adjustment on initial application of IFRS 16	-	-	-	-	264	264
<b>Adjusted balance at 3 February 2019</b>	-	9,555	(606)	-	(207,033)	(198,084)
Loss for the period	-	-	-	-	(36,389)	(36,389)
Other comprehensive expense	-	-	(101)	-	-	(101)
<b>At 1 February 2020</b>	-	9,555	(707)	-	(243,422)	(234,574)
<b>At 1 February 2020</b>	-	9,555	(707)	-	(243,422)	(234,574)
Loss for the period	-	-	-	-	(36,684)	(36,684)
Forgiveness of intercompany debt	-	-	-	184,358	-	184,358
Other comprehensive expense	-	-	(255)	-	-	(255)
<b>At 30 January 2021</b>	-	9,555	(962)	184,358	(280,106)	(87,155)

The notes on pages 46 to 56 form part of these financial statements.

# **All Saints Retail Limited**

## **Notes to the Company financial statements**

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### **28. Accounting policies for the Company financial statements**

#### **Reporting entity**

All Saints Retail Limited (the "Company") is incorporated and domiciled in the United Kingdom.

The Company's principal activities are the design and retailing of clothing, footwear and accessories.

The Company financial statements were approved by the Board of Directors on 13 December 2021.

#### **Statement of compliance**

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and the Companies Act 2006.

The directors have taken advantage of the option within section 390 of the Companies Act 2006 to prepare their financial statements up to a date seven days either side of the Company's accounting reference date of 31 January 2021, and these accounts therefore cover the period from 2 February 2020 to 30 January 2021 (2020: 3 February 2019 to 1 February 2020).

As permitted by Section 408(2) of the Companies Act 2006 information about the Company's employee numbers and costs have not been presented.

As permitted by Section 408(3) of the Companies Act 2006, the Company's income statement and statement of other comprehensive income and related notes have not been presented as the Company's Group Accounts have been prepared in accordance with the Companies Act 2006.

#### **Functional and presentational currency**

These financial statements are presented in pounds Sterling (£), which is the Company's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### **Basis of preparation**

The financial statements have been prepared on a historical cost basis and are in accordance with the Companies Act 2006.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements with exception of IFRS16. These financial statements for the period ended 30 January 2021 has been prepared in accordance with FRS 100 and FRS 101.

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by All Saints Retail Limited.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Group financial statements of Lion/Heaven UK Limited. These financial statements do not include certain disclosures in respect of:

- Financial Instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value);
- Impairment of assets; and
- Revenue from Contracts with Customers.

Please refer to the Going concern note under accounting policies of the Group financial statements which also covers the Company's going concern basis.



# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 28. Accounting policies for the Company financial statements (continued)

#### New accounting standard

The following new standards, amendments to standards and interpretations issued by the International Accounting Standards Board ("IASB") became effective during the period ended 30 January 2021. The accounting policies adopted in the presentation of these financial statements reflect the adoption of the following new standards, amendments to standards and interpretations:

- COVID-19 related rent concessions (amendment to IFRS 16)

The adoption of the above standard and interpretations has not led to any changes to the Group's accounting policies or had any other material impact on the financial position or performance of the Group.

#### COVID-19 related rent concessions – (amendment to IFRS 16 Leases)

On 28 May 2020, the IASB adopted the COVID-19 related rent concessions amendment to IFRS 16 Leases. The amendment applies to accounting periods from 1 June 2020. Early application was permitted, and the Group has elected to apply the amendment in the period ended 30 January 2021. The criteria applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- There is no substantive change to other terms and conditions of the lease.

Lessees are not required to assess whether eligible rent concessions are lease modifications. This allows the lessee to account for eligible rent concessions as if they were not lease modifications. During the period, the Group has agreed rent concessions with landlords during store closures where the landlord has agreed to forgive all or a portion of rents due with no obligation to be repaid in the future.

The Group has chosen to account for eligible rent forgiveness as negative variable lease payments and recognises the benefit in the Income Statement. As a result, the Group has recognised £0.5 million in COVID-19 related rent concessions in the Income Statement within "operating profit" in the period ended 30 January 2021.

In the Statement of Cash Flows, the forgiveness results in lower payments of lease principal.

#### Standards yet to be adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the period ended 30 January 2021 and have not been adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods or on foreseeable future transactions.

#### Accounting policies for the Company financial statements

The Company's accounting policies are the same as the Group's accounting policies, as detailed in note 1 to the Group financial statements, for the following:

##### Company FRS 101 accounting policy

Critical accounting estimates and judgments  
Foreign currency translation  
Property, plant and equipment  
Intangible assets  
Leases  
Inventories  
Cash and cash equivalents  
Equity  
Borrowings  
Interest receivable and similar income  
Interest payable and similar expense  
Financial instruments  
Current and deferred tax  
Employee benefits  
Current versus non-current classification  
Provisions  
Revenue recognition

##### Group IFRS accounting policy

Critical accounting estimates and judgments  
Foreign currency translation  
Property, plant and equipment  
Intangible assets  
Leases  
Inventories  
Cash and cash equivalents  
Equity  
Borrowings  
Finance income  
Finance expense  
Financial instruments  
Current and deferred tax  
Employee benefits  
Current versus non-current classification  
Provisions  
Revenue recognition

# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 28. Accounting policies for the Company financial statements (continued)

#### Accounting policies for the Company financial statements (continued)

##### Company FRS 101 accounting policy

Government grants  
Fair value measurement  
Exceptional items

##### Group IFRS accounting policy

Government grants  
Fair value measurement  
Exceptional items

### 29. Directors

Information on the Company's directors is provided in note 5 to the Group financial statements.

### 30. Auditors' remuneration

The Company's remuneration for audit and non-audit services during the period are captured under the Group's remuneration arrangement as detailed in note 3 to the Group financial statements.

### 31. Intangible assets

	Trademarks £'000	Computer software and website platform costs £'000	Total £'000
<b>Cost</b>			
At 1 February 2020	4,155	26,734	30,889
Foreign exchange adjustments	9	-	9
Additions	27	2,482	2,509
At 30 January 2021	4,191	29,216	33,407
<b>Amortisation</b>			
At 1 February 2020	3,137	17,087	20,224
Foreign exchange adjustments	9	-	9
Charge for the year	609	3,316	3,925
At 30 January 2021	3,755	20,403	24,158
<b>Net book value</b>			
At 30 January 2021	436	8,813	9,249

	Trademarks £'000	Computer software and website platform costs £'000	Total £'000
<b>Cost</b>			
At 2 February 2019	3,746	22,685	26,431
Foreign exchange adjustments	(3)	-	(3)
Additions	412	4,049	4,461
At 1 February 2020	4,155	26,734	30,889
<b>Amortisation</b>			
At 2 February 2019	2,681	13,664	16,345
Foreign exchange adjustments	(3)	-	(3)
Charge for the year	459	3,423	3,882
At 1 February 2020	3,137	17,087	20,224
<b>Net book value</b>			
At 1 February 2020	1,018	9,647	10,665

# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 32. Property, plant and equipment

	Capitalised leasehold costs £'000	Fixtures, fittings and equipment £'000	Office and computer equipment £'000	Total £'000
<b>Cost</b>				
At 1 February 2020	1,496	87,666	11,045	100,207
Foreign exchange adjustments	17	476	12	505
Additions	-	1,714	399	2,113
Disposals	(346)	(9,994)	(323)	(10,663)
At 30 January 2021	1,167	79,862	11,133	92,162
<b>Depreciation</b>				
At 1 February 2020	1,072	76,661	9,857	87,590
Foreign exchange adjustments	17	462	11	490
Charge for the year	106	3,353	526	3,985
Disposals	(306)	(9,994)	(323)	(10,623)
Impairment loss	-	60	-	60
At 30 January 2021	889	70,542	10,071	81,502
<b>Net book value</b>				
At 30 January 2021	278	9,320	1,062	10,660

	Capitalised leasehold costs £'000	Fixtures, fittings and equipment £'000	Office and computer equipment £'000	Total £'000
<b>Cost</b>				
Restated at 2 February 2019	3,892	83,232	10,616	97,740
Adjustment on initial application of IFRS 16	(1,741)	-	-	(1,741)
Foreign exchange adjustments	(6)	(181)	(4)	(191)
Additions	131	4,615	433	5,179
Disposals	(780)	-	-	(780)
At 1 February 2020	1,496	87,666	11,045	100,207
<b>Depreciation</b>				
Restated at 2 February 2019	2,447	73,908	9,333	85,688
Adjustment on initial application of IFRS 16	(869)	-	-	(869)
Foreign exchange adjustments	(6)	(144)	(4)	(154)
Charge for the year	280	2,860	528	3,668
Disposals	(780)	-	-	(780)
Impairment loss	-	37	-	37
At 1 February 2020	1,072	76,661	9,857	87,590
<b>Net book value</b>				
At 1 February 2020	424	11,005	1,188	12,617

# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 33. Right-of-use assets

	Property £'000	Equipment £'000	Total £'000
<b>Net book value</b>			
Net book value at 1 February 2020	72,420	157	72,577
Additions	6,493	-	6,493
Remeasurement	(33,601)	-	(33,601)
Depreciation charge	(11,059)	(72)	(11,131)
Impairment charge	(169)	-	(169)
Foreign exchange adjustments	236	-	236
<b>At 30 January 2021</b>	<b>34,320</b>	<b>85</b>	<b>34,405</b>

The impact of the CVAs on right-of-use assets during the year has been explained in note 11 in the Group financial statements.

The expense relating to short-term leases and leases of low value assets (as described in note 1) and the costs relating to variable lease payments dependent on usage amounted to £3.0 million. Net cash outflow for leases amounted to £4.6 million.

Rent concessions totalling £0.5 million have been accounted for as variable lease payments (included above) and are recognised in profit & loss. These relate to concessions provided by the landlord during store closures.

Lease commitments for leases not commenced at year-end amounted to £6.8 million. There are no leases with residual guarantees.

As a result of the annual assessment of cash generating units for impairment, a charge of £0.2 million was recorded for impairment of property, plant and equipment. The cost of impairment of assets has been included in exceptional items rather than operating costs.

	Property £'000	Equipment £'000	Total £'000
<b>Net book value</b>			
Net book value at 2 February 2019	-	-	-
Adjustment on initial application of IFRS 16	82,405	204	82,609
Net book value at 3 February 2019	82,405	204	82,609
Additions	7,257	20	7,277
Depreciation charge	(17,208)	(67)	(17,275)
Impairment reversal	155	-	155
Foreign exchange adjustments	(189)	-	(189)
<b>At 1 February 2020</b>	<b>72,420</b>	<b>157</b>	<b>72,577</b>

The following table shows a maturity analysis of the lease payments receivable:

	30 January 2021 £'000	1 February 2020 £'000
<b>Maturity analysis - undiscounted lease payments receivable</b>		
Within one year	-	555
Greater than one year but less than two years	-	559
Greater than two years but less than three years	-	477
Greater than three years but less than four years	-	278
<b>Total undiscounted payments</b>	-	1,869
Unearned finance income	-	(138)
<b>Net investment (lease receivables)</b>	-	<b>1,731</b>

Income from subleasing right-of-use assets amounted to less than £0.1 million.

# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 34. Investments

	30 January 2021	1 February 2020
	£'000	£'000
Investments	2,383	2,383
	<u>2,383</u>	<u>2,383</u>

The Company's principal subsidiaries held by direct holding companies are:

Company	Registered Address	Country	Nature of business	Class of shares held	Proportion of shares held
AllSaints USA Limited	Jack's Place, Units C15-C17, 6 Corbet Place, London E1 6NN, United Kingdom	England	Retail	Ordinary	100%
All Saints Retail GmbH	Chausseestr. 13, c/o HÄRTING Rechtsanwälte PartGmbH, 10115 Berlin, Germany	Germany	Rental	Ordinary	100%
All Saints Retail SL	C Eusebi Estada 37, 07004, Palma De Mallorca, Balears	Spain	Dormant	Ordinary	100%
All Saints Retail SRL	Milano (MI) Via Caldera 21 CAP 20149	Italy	Dormant	Ordinary	100%
All Saints Hong Kong Limited	16/F Wing On Centre, 111 Connaught Road Central, Hong Kong	Hong Kong	Procurement	Ordinary	100%
All Saints Retail LLC	107023, Malaya Semenovskaya St, 9, Build.3, Moscow	Russia	Retail	Ordinary	100%
All Saints India Private Limited	Regus Business Centre, Elegance Tower, Jasola, New Delhi 110025	India	Procurement	Ordinary	100%
All Saints Korea Co Limited	5f, 23 Eonju-Ro 172-Gil, Gangnam-Gu, Seoul, Korea 135-896	South Korea	Retail	Ordinary	100%
AllSaints Taiwan Co Limited	Level 37, Taipei 101 Tower No. 7 Section 5, Xinyi Road, Taipei, Taiwan	Taiwan	Retail	Ordinary	100%
AllSaints Shanghai Comm. Limited	3042 Central Place, No. 16, He Nan Road South, Shanghai, 200002, China	China	Retail	Ordinary	100%
AllSaints Ventures Limited	Jack's Place, Units C15-C17, 6 Corbet Place, London E1 6NN, United Kingdom	England	Franchisor	Ordinary	100%
AllSaints Wholesale Limited	Jack's Place, Units C15-C17, 6 Corbet Place, London E1 6NN, United Kingdom	England	Wholesale	Ordinary	100%
AllSaints Japan K.K	Ta Lawyers GKJ, (Shiroyama Trust Tower 9th Floor (C/-Tal), 4-3-1 Toranomom, Minato-Ku, Tokyo, 105-6009, Japan	Japan	Retail	Ordinary	100%
AllSaints Switzerland GMBH	C/O Trachsler Rechtsanwälte AG, Seefeldstrasse 283, 8008, Zurich, Switzerland	Switzerland	Retail	Ordinary	100%
AllSaints Italia SRL	Milano (MI) via Caldera 21 Cap 20149	Italy	Retail	Ordinary	100%
AllSaints Asia Ltd	2901-03, 29/F AXA Tower Landmark East, 100 How Ming St, Kwun Tong, Kowloon, Hong Kong	Hong Kong	Wholesale	Ordinary	100%
AllSaints Hub Limited	Jack's Place, Units C15-C17, 6 Corbet Place, London E1 6NN, United Kingdom	England	Wholesale	Ordinary	100%

# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 35. Audit exemptions

All Saints Retail Limited has guaranteed the outstanding liabilities of the subsidiaries within the group shown below and has fulfilled all requirements under s479A of the Companies Act 2006 ('The Act'), thus enabling those subsidiaries to apply for audit exemption; provided their financial statements are not subject to audit under any other provisions of The Act.

The following subsidiary companies have applied for audit exemption:

Company	Country of registration or incorporation	Registration number	Nature of business	Proportion of shares held
AllSaints Ventures Limited	England	9456720	Franchisor	100%
AllSaints Hub Limited	England	12079909	Wholesale	100%

### 36. Inventories

	30 January 2021	1 February 2020
	£'000	£'000
Finished goods and goods for resale	27,180	36,221
Write down of inventories	(1,411)	(704)
	<u>25,769</u>	<u>35,517</u>

The following table details the movements in the provision for impairment of inventories:

	30 January 2021	1 February 2020
	£'000	£'000
Balance at the beginning of the period	704	567
Written down inventory sold during the period	(768)	(1,290)
Write down during the period	1,475	1,427
Balance at the end of the period	<u>1,411</u>	<u>704</u>

### 37. Trade and other receivables

	30 January 2021	1 February 2020
	£'000	£'000
Trade receivables	1,231	7,597
Other receivables	4,604	2,636
Corporation tax	609	490
Prepayments, accrued income and deferred expenses	1,996	4,644
Amounts owed by group undertakings	81,574	53,777
	<u>90,014</u>	<u>69,144</u>

# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 37. Trade and other receivables (continued)

The breakdown of trade and other receivables is between current and non-current is as follows:

	30 January 2021	1 February 2020
	£'000	£'000
Current	61,453	39,576
Non-current	28,561	29,568
	<b>90,014</b>	<b>69,144</b>

### 38. Trade and other payables: amounts falling due within one year

	30 January 2021	1 February 2020
	£'000	£'000
<b>Current</b>		
Trade payables	20,770	21,883
Other taxes and social security costs	5,053	8,448
Other payables	417	168
Accruals and deferred income	12,691	13,663
Amounts owed to group undertakings	43,784	25,780
	<b>82,715</b>	<b>69,942</b>

### 39. Trade and other payables: amounts falling due after one year

	30 January 2021	1 February 2020
	£'000	£'000
<b>Non-current</b>		
Other payables	300	14
	<b>300</b>	<b>14</b>

### 40. Provisions

	Onerous lease costs £'000	Dilapidation costs £'000	Total £'000
At 2 February 2019	2,776	3,000	5,776
Adjustment on initial application of IFRS 16	(2,298)	-	(2,298)
Additions	-	808	808
Utilised during the year	(478)	(219)	(697)
Released during the year	-	(263)	(263)
Unwind of provision	-	79	79
At 1 February 2020	-	3,405	3,405
Additions	-	374	374
Utilised during the year	-	(193)	(193)
Release during the year	-	(830)	(830)
Unwind of provision	-	27	27
At 30 January 2021	-	<b>2,783</b>	<b>2,783</b>

# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 40. Provisions (continued)

The breakdown of provisions between current and non-current is as follows:

	30 January 2021	1 February 2020
	£'000	£'000
Current	1,008	1,225
Non-current	1,775	2,180
	<b>2,783</b>	<b>3,405</b>

The provision for dilapidation costs represents the dilapidation costs in respect of the Company's leasehold properties and will therefore arise over the life of leases of the Company's properties.

There are inherent uncertainties in measuring the provisions of the future outflows.

### 41. Lease liabilities

The following tables show the discounted lease liabilities included in the Group balance sheet and a maturity analysis of the contractual undiscounted lease payments:

	30 January 2021	1 February 2020
	£'000	£'000
<b>Lease liabilities</b>		
Current	4,893	16,169
Non-current	37,885	62,430
<b>Total lease liabilities</b>	<b>42,778</b>	<b>78,599</b>

	30 January 2021	1 February 2020
	£'000	£'000
<b>Maturity analysis - contractual undiscounted lease payments</b>		
Within one year	6,308	18,432
Greater than one year but less than five years	30,767	52,453
Greater than five years but less than ten years	11,190	15,188
<b>Total undiscounted payments</b>	<b>48,265</b>	<b>86,073</b>

### 42. Borrowings

	30 January 2021	1 February 2020
	£'000	£'000
<b>Current</b>		<i>*Restatement</i>
Term loan	2,229	2,229
Revolving credit facility	13,915	10,854
	<b>16,144</b>	<b>13,083</b>

	30 January 2021	1 February 2020
	£'000	£'000
<b>Non-current</b>		
Term loan	2,507	4,735
Amounts owed to parent undertaking	116,916	272,400
	<b>119,423</b>	<b>277,135</b>



# All Saints Retail Limited

## Notes to the Company financial statements (continued)

### 42. Borrowings (continued)

The term loan owed to Bank of America, N.A. has an interest rate of 3.0% plus LIBOR per annum, giving an average of 3.6% for the period.

On 21 September 2021, the Company, as part of Group financing secured a new five-year, £65 million funding facility with Wells Fargo Bank. The term loan owed to Bank of America, N.A. was repaid in full at that date. Details of this new financing arrangement are included in note 25.

### Restatement of cash and cash equivalents

During the review and completion of the 2021 Annual Report and Accounts it was identified that the revolving credit facility should be presented gross of the cash balance as there is no formal right of offset, required under IAS 32 for a net presentation. The adjustment to the amounts previously reported at 1 February 2020, which were previously presented net is:

Line item	Restated figure (£'000)	Adjustment (£'000)	Figure previously reported (£'000)
Cash and cash equivalents	4,701	10,854	(6,153)
Borrowings	(13,083)	(10,854)	(2,229)

The Directors note that the adjustment is presentational in nature and grosses up cash and short-term borrowings by the amount of the revolving credit facility which is disclosed at the foot of the cash flow statement.

### 43. Deferred tax

	Property, plant and equipment £'000	Tax losses £'000	Total £'000
At 1 February 2020	-	-	-
Deferred tax assets	-	-	-
Deferred tax liabilities	-	-	-
At 1 February 2020	-	-	-
Debit to the income statement	-	-	-
Credit to the income statement	-	804	804
At 30 January 2021	-	804	804
Deferred tax assets	-	804	804
Deferred tax liabilities	-	-	-
At 30 January 2021	-	804	804

	Property, plant and equipment £'000	Tax losses £'000	Total £'000
At 2 February 2019	-	-	-
Deferred tax assets	3,517	846	4,363
Deferred tax liabilities	-	-	-
At 2 February 2019	3,517	846	4,363
Debit to the income statement	(3,963)	(849)	(4,812)
Credit to the income statement	446	3	449
At 1 February 2020	-	-	-
Deferred tax assets	-	-	-
Deferred tax liabilities	-	-	-
At 1 February 2020	-	-	-

Potential deferred tax assets have not been recognised on the basis that it is probable that the temporary difference will not reverse in the foreseeable future.

## All Saints Retail Limited

### Notes to the Company financial statements (continued)

#### 43. Deferred tax (continued)

The following table lists the Company's unrecognised deferred tax assets:

	30 January 2021 £'000	1 February 2020 £'000
Property, plant and equipment	2,723	2,803
	<u>2,723</u>	<u>2,803</u>

#### 44. Share Capital

	30 January 2021 £	1 February 2020 £
<i>Authorised, issued, called up and fully paid</i>		
17,171 ordinary shares of 1 pence each	172	172
	<u>172</u>	<u>172</u>

#### 45. Capital contribution reserve

On 16 October 2020, the Company's immediate parent, Lion/Heaven UK II Limited, contributed £184.4 million in the form of forgiven intercompany loan interest. Consequently, the Company has presented the entirety of this contribution in the capital contribution reserve.

#### 46. Related party transactions

As disclosed in Note 28, Basis of preparation, and in accordance with the exemptions in FRS 101 the Company is not required to disclose related party transactions with key management personnel or between members of the Group.

At 30 January 2021 the Company was owed £0.2 million (2020: £0.2 million) by Lion/Heaven Co-Investors LP, the private equity fund operated by Lion Capital LLP.

#### 47. Events after the reporting date

Events impacting the Company that have occurred after reporting date and need to be disclosed in accordance with IAS 10 Events after the reporting date are reported in note 25 to the Group financial statements.