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Registered number: FC023938

BURBERRY JERSEY (NO. 2) LIMITED

UNAUDITED

STRATEGIC REPORT, DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

WEDNESDAY



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COMPANIES HOUSE

BURBERRY JERSEY (NO. 2) LIMITED
REGISTERED NUMBER: FC023938

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The directors present their strategic report for the year ended 31 March 2014

Business review

Burberry Jersey (No 2) Limited (the "Company") is a wholly owned subsidiary of Burberry Group plc (the "Group"). Its principal activity is to act as a financing company.

At the date of this report the directors do not anticipate any major changes in the Company's activities in the next year.

The balance sheet on page 4 of the financial statements shows that the Company is in a net asset position at the year end consistent with the prior year.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of Burberry Group plc and are not managed separately. Accordingly, the principal risks and uncertainties of Burberry Group plc, which include those of the Company, are discussed on pages 61 to 63 of the Group's 2013/14 Annual Report which does not form part of this report.

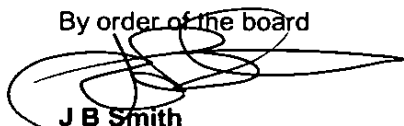
Financial risk management

From the perspective of the Company, financial risk management is integrated with the financial risk management of Burberry Group plc and is not managed separately. Accordingly, financial risk management of Burberry Group plc, which includes that of the Company, is discussed on pages 148 to 150 of the Group's 2013/14 Annual Report which does not form part of this report.

Financial key performance indicators

The directors of Burberry Group plc manage the Group's operations on a consolidated basis using key performance indicators. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate. The development, performance and position of Burberry Group plc is discussed in the Performance section of the Group's 2013/14 Annual Report which does not form part of this report.

By order of the board



J B Smith
Director

29 September 2014

BURBERRY JERSEY (NO 2) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and the unaudited financial statements for the year ended 31 March 2014

Future developments

Please refer to the strategic report on page 1 for future developments of the Company

Financial risk management

Please refer to the strategic report on page 1 for the financial risk management of the Company

Results and dividends

The Company's loss for the year is £3,732 (2013 £500) The directors do not recommend the payment of a final dividend (2013 £nil)

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows

S L Cartwright (resigned 1 June 2013)
C A Fairweather
J B Smith (appointed 1 June 2013)

Basis of preparation of financial statements

The unaudited financial statements have been prepared in accordance with

- Article 105 of Companies (Jersey) Law 1991, the Company's parent law,
- United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards as issued by the Financial Reporting Council and applicable law),
- Part 34 of the Companies Act 2006 (Sections 1044 - 1059), and
- The Overseas Company Regulations 2009, SI 2009/1801

By order of the board



J B Smith
Director

29 September 2014

BURBERRY JERSEY (NO. 2) LIMITED
REGISTERED NUMBER FC023938

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 £	2013 £
Administrative expenses		<u>(3,732)</u>	<u>(500)</u>
Loss before tax	2	(3,732)	(500)
Tax	3	<u>-</u>	<u>-</u>
Loss for the year	7	<u>(3,732)</u>	<u>(500)</u>

The notes on pages 5 to 8 form part of these financial statements

The above results derive from continuing operations

There are no material differences between the loss on ordinary activities before taxation and the retained loss for the financial year stated above and their historical cost equivalents

The Company had no recognised gains and losses during the years other than those reflected in the results above, and therefore no separate statement of total recognised gains and losses has been presented

BURBERRY JERSEY (NO. 2) LIMITED
REGISTERED NUMBER FC023938

BALANCE SHEET
AS AT 31 MARCH 2014

	Note	2014 £	2013 £
Non current assets			
Trade and other receivables	4	85,897,872	85,897,872
Current assets			
Cash and cash equivalents		21,757	24,450
Current liabilities			
Trade and other payables	5	(4,737)	(3,698)
Net assets		<u>85,914,892</u>	<u>85,918,624</u>
Equity			
Share capital	6	100,000	100,000
Share premium account		63,492,371	63,492,371
Retained earnings	7	22,322,521	22,326,253
Equity shareholder's funds	8	<u>85,914,892</u>	<u>85,918,624</u>

The notes on pages 5 to 8 form part of these financial statements

The financial statements of Burberry Jersey (No 2) Limited (registered number FC023938) were approved by the board of directors on 29 September 2014. They were signed on its behalf by



C A Fairweather
Director

29 September 2014

BURBERRY JERSEY (NO 2) LIMITED
REGISTERED NUMBER FC023938

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the Companies (Jersey) Law 1991. In addition they are in accordance with Part 34 of the Companies Act 2006 (sections 1044-1059) and the Overseas Company Regulations 2009, SI 2009/1801.

1.2 Going concern

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

1.3 Dividend distribution

Dividend distributions are recognised as a liability in the year in which the dividends are approved by the shareholders in the case of final dividends or when they are paid in respect of interim dividends.

1.4 Foreign currency transactions

Transactions denominated in foreign currencies are translated into Sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at year end, are translated into Sterling at the exchange rate ruling at the balance sheet date. Exchange differences on monetary items are recognised in the profit and loss account in the period in which they arise.

1.5 Taxation

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

1.6 Related party transactions

Financial Reporting Standard ("FRS") 8, 'Related party disclosures' requires the disclosure of the details of material transactions and balances between the reporting entity and related parties. The Company has taken advantage of the exemption under the terms of FRS 8, not to disclose details of transactions with entities that are wholly owned subsidiaries.

1.7 Cash flow statement

The Company is a wholly owned subsidiary of Burberry Group plc and is included in the consolidated financial statements of Burberry Group plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1, "Cash flow statements" (revised 1996).

BURBERRY JERSEY (NO 2) LIMITED
REGISTERED NUMBER: FC023938

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

2 Loss before tax

During the year, no director received any emoluments (2013 £nil)

The Company has no employees and therefore no employee costs are included in these financial statements (2013 £nil) The Company has not been recharged audit fees of £1,300 (2013 £1,300) as these were all paid by Burberry Limited

3 Tax

Corporation tax is based on the loss for the year and comprises

	2014 £	2013 £
Corporation tax at 23% (2013 24%)	-	-

Factors affecting tax charge for the year

UK Group companies no longer charge/pay for group tax relief from other UK companies As such, Burberry Jersey (No 2) Limited does not recognise a tax (credit)/charge for any (losses)/profits to the extent that there are sufficient profits/(losses) within the UK Group companies to fully offset Burberry Jersey (No 2) Limited's UK liability

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 23% (2013 24%) The differences are explained below

	2014 £	2013 £
Loss on ordinary activities before taxation	(3,732)	(500)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 24%)	(858)	(120)
Adjusted for the impact of.		
Group relief surrendered for nil consideration	858	120
Debt cap adjustment	(531,456)	(752,893)
Transfer pricing adjustment - imputed interest	531,456	752,893
Total current tax	-	-

There were a number of changes to the UK corporation tax system announced in the March 2013 Budget Statement The main rate of corporation tax changes to 21% with effect from 1 April 2014 and to 20% with effect from 1 April 2015 These changes were substantively enacted on 2 July 2013

BURBERRY JERSEY (NO. 2) LIMITED
REGISTERED NUMBER FC023938

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

4 Trade and other receivables

	2014 £	2013 £
Amounts owed by Group undertakings	<u>85,897,872</u>	<u>85,897,872</u>

Amounts owed by Group undertakings are interest bearing (2013 £nil) The interest rate earned is based on LIBOR plus 0.9%. These loans are unsecured and receivable on 17 June 2019

5. Trade and other payables

	2014 £	2013 £
Amounts owed to Group undertakings	1,500	-
Accruals and deferred income	3,237	3,698
	<u>4,737</u>	<u>3,698</u>

Amounts owed to Group undertakings are interest free (2013 £nil)

6 Share capital

	2014 £	2013 £
Authorised, allotted, issued and fully paid		
100,000 (2012 100,000) ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

7. Reserves

	Retained earnings £
At 1 April 2013	22,326,253
Loss for the year	(3,732)
At 31 March 2014	<u>22,322,521</u>

BURBERRY JERSEY (NO 2) LIMITED
REGISTERED NUMBER: FC023938

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

8 Reconciliation of movement in shareholder's funds

	2014	2013
	£	£
Opening shareholder's funds	85,918,624	85,919,124
Loss for the year	(3,732)	(500)
Closing shareholder's funds	<u>85,914,892</u>	<u>85,918,624</u>

9. Immediate and ultimate parent company

The immediate and ultimate parent undertaking and controlling party is Burberry Group plc which is the parent undertaking of the smallest and largest group to consolidate these financial statements Burberry Group plc is registered in England and Wales and copies of the consolidated financial statements can be obtained from the Company Secretary at Burberry Group plc, Horseferry House, Horseferry Road, London SW1P 2AW