

Company Registration Number: 04438273

Alexander McQueen Trading Limited

**Report and Financial Statements
For the year ended 31 December 2014**

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Alexander McQueen Trading Limited
Report and financial statements 2014
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Alexander McQueen Trading Limited

Report and financial statements 2014

Professional advisors

Registered office

5th Floor, Rear Suite
Oakfield House
35 Perrymount Road
Haywards Heath
West Sussex
United Kingdom
RH16 3BW

Bank

HSBC Bank Plc
40 South Road
Haywards Heath
West Sussex
RH16 4LU

Independent auditor

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

Alexander McQueen Trading Limited

Strategic report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2014, together with an update of activity for the subsequent period to the date of the filing of the accounts.

Business Review

In 2014, both retail and wholesale sales reached unprecedented levels, confirming the strong development of the Alexander McQueen brand as well as the successful in-house relaunch of the McQ Label.

Significant investments were made in 2014 to expand the retail network and allow the brand to maintain a strong momentum in sales over the coming years.

The Directors of Alexander McQueen Trading Limited are therefore satisfied with the performance of the business during 2014, with an operating loss for the year of £638,908 (2013:£(1,447,790)).

Company Structure

Alexander McQueen Trading Limited is the legal entity within the worldwide Alexander McQueen business that manages retail operations in the United Kingdom and Italy, as well as retail and wholesale operations in the United States. The US operations are conducted through a branch in the US. The Italian operations were conducted through a branch in Italy until 8 July 2013, when the company converted this branch into a subsidiary company in Italy, Alexander McQueen Italia SRL. Results of the Italian operations are therefore no longer included within this company from that date.

Alexander McQueen branded products are distributed by various companies within Kering S.A., and not just by Alexander McQueen Trading Limited. Therefore, the full scale, momentum and financial condition of the Alexander McQueen business on a worldwide basis is not visible solely from the financial statements of Alexander McQueen Trading Limited, as required to be filed under the terms of the UK Companies Act.

Alexander McQueen Trading Limited

Strategic Report (continued)

Strategy

The Alexander McQueen brand was established in July 2001, reaching a break even for the first time in 2007, and the brand's turnover and activities continue to grow worldwide.

The brand has carefully entered into selected strategic brand licensing partnerships that are consistent with the brand's core values and the Alexander McQueen collections. These partnerships increased brand awareness and offered revenue streams to complement the existing core business. In 2014, there were licensing partnerships in place with Puma AG and Safilo.

Alexander McQueen took full control of its McQ Label, following the expiration of its manufacturing and licence agreement with SINV SpA in 2011.

Given the structure of the Alexander McQueen business and the Company within that, management do not consider it meaningful to discuss KPIs within the statutory accounts of Alexander McQueen Trading Ltd other than those relating to turnover and profit included in the profit and loss account on page 10.

Information on Alexander McQueen brand activities not included within Alexander McQueen Trading Ltd accounts

In 2014 Alexander McQueen and McQ brands had a total network of 35 directly-operated stores across all regions. All collections are also sold online in most countries, through the joint venture established with Yoox. The results of stores located outside Europe and the US are not included within the financial statements of Alexander McQueen Trading Ltd. The retail activity has good sales densities when benchmarked to other leading luxury brands and has achieved strong growth over the last years.

Alongside our successful retail business in the UK the brand has continued developing a franchise network with a strong presence in the Middle East and Asia. Each franchise was carefully selected to ensure the continued integrity and success of the Alexander McQueen and McQ brands. As of December 2014, the franchise network comprised 27 stores, including openings in Baku, Barvikha and Kuwait city for AMQ, and Dubai, Hong Kong, Jakarta and Chengdu for McQ.

Shop-in-shop concepts have also been opened globally with key wholesale clients including Selfridges, Harvey Nichols and Harrods in London, Joyce in Hong Kong, Saks 5th Avenue in New York and Tsum in Moscow.

In 2014 the brand achieved an outstanding global distribution performance leading to record sales.

Alexander McQueen Trading Limited

Strategic Report (continued)

Risks & Uncertainties

The principal risk to the business remains the unpredictable market conditions that first arose following the global financial crisis in 2008 and 2009 and which have continued throughout 2010 to 2014.

As a fashion and lifestyle company every new season confronts the brand with the risk that the new collections may be received less positively than anticipated. Constant market observation and regular attendance of international fashion events ensure that trends are identified early on to serve as a basis for the collection development. Moreover, Sarah Burton's unanimously acclaimed collections confirmed the brand deals appropriately with this risk.

The Directors also recognise the risks associated with not adequately protecting the brand's trademarks. As such the Company invests strongly in securing and defending industrial property rights in various product categories and countries.

Outlook

The excellent performance achieved by the brand on a global level in 2014, the growth enjoyed over the first months of 2015, the continuous development of the Franchise and Directly Operated Store networks (Alexander McQueen opened a first store in Singapore and Macau and two new franchisee store in Philippines over the first half of 2015) as well as the Fragrance license agreement entered into with P&G Prestige in June 2013 (new fragrance to be launched in 2016) show the growing interest in the brand. Management feels that the company is therefore well positioned to keep this momentum going and continue with the long term strategy of developing the business.

Alexander McQueen Trading Limited

Directors' report

Principal activity

The principal activity of the company continues to be the strategic development of the Alexander McQueen brand.

Results and dividends

The company made a loss before tax for the year of £1,002,860 (2013: loss of £1,615,436). The Directors do not recommend the payment of a dividend (31 December 2013 - nil).

Financial Instruments

The company has no derivatives and does not trade in financial instruments.

The company operates within the United Kingdom and transactions are denominated in a mixture of Sterling and US Dollars. Foreign currency transactions are monitored by the directors to ensure that currency risks are kept at acceptable levels.

The company funds operations through agreements with other group companies.

Directors

The directors of the company during the year ended 31 December 2014 and up to the date of signing the Directors' Report were as follows:

J Cantegreil	(resigned 19 November 2014)
J Akeroyd	
B D van Holderbeke	
E Sandrin	(appointed 19 November 2014)

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Political and charitable contributions

The company has not made any political or charitable contributions during the year (2013: £nil).

Alexander McQueen Trading Limited

Directors' report (continued)

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Going Concern

The financial statements have been prepared on the going concern basis, notwithstanding the net current liability position on the company's balance sheet, which the directors believe to be appropriate for the following reasons.

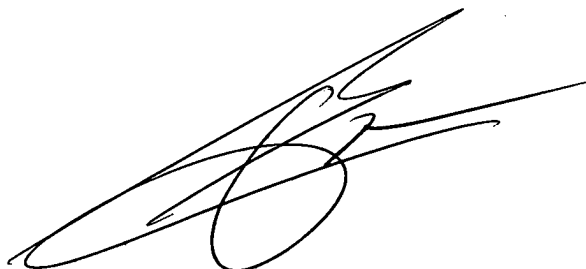
The company is dependent for its working capital on funds provided to it indirectly by Kering Holland N.V. who have provided Alexander McQueen Trading Limited with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available that would otherwise place the company in insolvency. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Strategic report and Directors' report approved by the Board of Directors
and signed on behalf of the Board

16/09/15

B D van Holderbeke
Director



Company registration number: 04438273

Alexander McQueen Trading Limited

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The Directors are responsible for preparing the Strategic Report, the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Alexander McQueen Trading Limited

We have audited the financial statements of Alexander McQueen Trading Limited for the year ended 31 December 2014 set out on pages 10 to 27. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practises Board (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Independent auditor's report to the members of Alexander McQueen Trading Limited (continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jeremy Hall (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

16/09/15

Alexander McQueen Trading Limited

Profit and loss account

For year ended 31 December 2014

	Note	2014 Total £	2014 Total £	2013 Total £	2013 Total £
Turnover	3				
Continuing operations		64,103,572		58,551,316	
Discontinued operations		-		2,001,180	
		<u>64,103,572</u>		<u>60,552,496</u>	
Cost of Sales		(45,231,203)		(40,844,559)	
		<u>18,872,369</u>		<u>19,707,937</u>	
Gross profit					
Administrative Expenses					
Continuing operations		(19,511,277)		(20,488,950)	
Discontinued operations		-		(666,777)	
		<u>(19,511,277)</u>		<u>(21,155,727)</u>	
Operating loss	5				
Continuing operations		(638,908)		2,099,160	
Discontinued operations		-		(651,370)	
		<u>(638,908)</u>		<u>(1,447,790)</u>	
Interest receivable and similar income	6	4,328		1,654	
Interest payable and similar charges	7	(368,280)		(169,300)	
		<u>(1,002,860)</u>		<u>(1,615,436)</u>	
Loss on ordinary activities before taxation					
Tax credit(charge) on loss on ordinary activities	8	(191,507)		240,921	
Retained loss for the financial year	15	<u>(1,194,367)</u>		<u>(1,374,515)</u>	

The notes on pages 14 to 27 form an integral part of these financial statements.

Alexander McQueen Trading Limited

Statement of Total Recognised Gains and Losses

For year ended 31 December 2014

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Loss for the financial year	(1,194,367)	(1,374,515)
Foreign exchange gain	131,890	27,618
Total recognised losses for the financial year	(1,062,477)	(1,346,897)

Notes from page 14 to 27 form an integral part of these financial statements.

Alexander McQueen Trading Limited

Balance Sheet

For year ended 31 December 2014

		31 December 2014	31 December 2013
	Notes	£	£
Fixed assets			
Tangible assets	9	15,451,893	15,093,311
Investments	10	1,389,294	1,389,294
		16,841,187	16,482,605
Current assets			
Stock	11	15,087,163	12,219,868
Debtors	12	22,626,908	15,710,872
Cash at bank and in hand		719,880	94,716
		38,433,951	28,025,456
Creditors			
Amounts falling due within one year	13	(53,841,713)	(42,012,159)
Net current liabilities		(15,407,762)	(13,986,703)
Total assets less current liabilities		1,433,425	2,495,902
Net assets		1,433,425	2,495,902
Capital and reserves			
Called up share capital	14	1	1
Profit and loss account	15	1,433,424	2,495,901
Total equity shareholders' funds	15	1,433,425	2,495,902

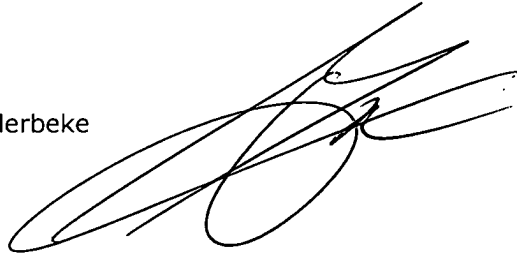
Alexander McQueen Trading Limited

Balance sheet (continued)

For year ended 31 December 2014

These financial statements were approved by the board of Directors of Alexander McQueen Trading Limited (company registration number 04438273) on 16/09/15 and were signed on its behalf by:

B D van Holderbeke
Director

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke, positioned to the right of the name and title.

The notes on pages 14 to 27 form an integral part of these financial statements.

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Under Financial Reporting Standard No. 1 (Revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary of an EC parent undertaking.

Under Financial Reporting Standard No. 8, the Company has taken advantage of the exemption not to disclose transactions or balances with entities which are part of the Group on the grounds that it is a wholly owned subsidiary of an EC parent undertaking, the accounts for which are publicly available.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, and under the historical cost accounting rules.

Going Concern

The financial statements have been prepared on the going concern basis, notwithstanding the net current liability position on the company's balance sheet, which the directors believe to be appropriate for the following reasons. Kering Holland N.V., the intermediate parent, has provided Alexander McQueen Trading Limited with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

Based on this undertaking the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Revenue recognition

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, it is probable that the economic benefit will flow to the company and the amount of revenue can be measured reliably.

The turnover shown in the profit and loss account represents the invoiced value of goods and services supplied, exclusive of value added tax and settlement discounts.

Retail revenue is recognised at point of sale in store.

Wholesale revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the customer on despatch.

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

1 Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

The results and balances of overseas operations are translated at the closing rates of exchange at the period end. Exchange differences arising are recorded in the Statement of Total Recognised Gains and Losses.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

1 Accounting policies (continued)

Tangible fixed assets

Fixed assets are stated at cost less depreciation and, when appropriate, provision for impairment. Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Leasehold improvements	6 years straight line
Fixtures and fittings	7 years straight line
Computer equipment	4 years straight line

Stocks

Stocks are stated at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension scheme arrangements

The company contributes to employees' personal pension schemes. Contributions are charged to the profit and loss account in respect of the accounting period.

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

2 Analysis of continuing and discontinued operations

On 8 July 2013 the company sold its Italian branch to Alexander McQueen Italia SRL, a company within the Kering SA group. The results of this branch have therefore been disclosed in the profit and loss account as discontinued activities. There is no gain or loss arising on the disposal of this branch.

	Continuing operations	Discontinued operations	2014 Total £	Continuing operations	Discontinued operations	2013 Total £
Turnover	64,103,572	-	64,103,572	58,551,316	2,001,180	60,552,496
Cost of Sales	(45,231,203)	-	(45,231,203)	(40,161,526)	(683,033)	(40,844,559)
Gross profit	18,872,369	-	18,872,369	18,389,790	1,318,147	19,707,937
Administrative Expenses	(19,511,277)	-	(19,511,277)	(20,488,950)	(666,777)	(21,155,727)
Operating loss	(638,908)	-	(638,908)	(2,099,160)	651,370	(1,447,790)

3 Turnover

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Trading activities within Europe	9,605,652	11,982,278
Trading activities within North America	19,666,787	16,677,201
Distribution activities within North America	34,831,133	31,893,017
	<u>64,103,572</u>	<u>60,552,496</u>

The company's turnover is generated entirely by the company's principal activities as outlined in the directors' report.

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

4 Information regarding directors and employees

Directors' emoluments

The Directors who held office during the year received no emoluments in respect of their services to the company (31 December 2013: £nil).

Average number of persons employed (excluding executive directors) during the year

	Year ended 31 December 2014 No.	Year ended 31 December 2013 No.
Selling	93	99
Administration	2	2
	<hr/> 95	<hr/> 101

Staff costs during the year

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Wages and salaries	4,835,901	4,437,046
Social security costs	461,913	559,855
Other pension costs	16,797	85,105
	<hr/> 5,314,611	<hr/> 5,082,006

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

5 Operating loss

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Operating loss is stated after charging:		
Depreciation charge for the year	2,669,619	1,567,180
Operating leases	6,353,398	3,888,721
Loss on foreign exchange transactions	56,885	19,957
Auditor's remuneration; audit fees	47,849	42,255

6 Interest receivable and similar income

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Bank interest receivable	4,328	1,654
	4,328	1,654

7 Interest payable and similar charges

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Interest payable to group companies	368,280	169,300
	368,280	169,300

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

8 Tax on loss on ordinary activities

(a) Analysis of charge in period

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Current tax		
<i>UK corporation tax</i>		
UK corporation tax at 21.50% (23.25%) on loss on ordinary activities	47,729	-
(Over)/under provision in prior year corporation tax	(214,361)	61,138
Double taxation relief	(47,729)	(57,419)
	<hr/>	<hr/>
	(214,361)	3,719
Foreign tax		
Current tax on income for the year	643,366	130,857
Over provision in prior year corporation tax	(237,498)	(375,497)
	<hr/>	<hr/>
Total actual amount of current tax	191,507	(240,921)
	<hr/>	<hr/>
Total charge/(credit) on loss on ordinary activities	<hr/> 191,507	<hr/> (240,921)

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

8 Tax on loss on ordinary activities (continued)

(b) Factors affecting the tax charge/(credit) for the current year

The tax assessed for the year is higher (2013: higher) than that resulting from applying the standard rate of corporation tax in the UK of 21.50% (2013: 23.25%). The differences are explained below:

	Year Ended 31 December 2014 £	Year Ended 31 December 2013 £
(Loss) on ordinary activities before taxation	(1,002,860)	(1,615,436)
Current tax (credit)/charge		
Tax on (loss) on ordinary activities at standard rate of corporation tax in the UK of 21.50% (2013: 23.25%)	(215,615)	(375,589)
Effects of:		
Disallowed expenses and non-taxable income	9,056	1,039
Over provision in prior year corporation tax	(451,859)	(314,359)
Capital allowances lower than /(in excess of) depreciation	254,288	(56,002)
Overseas tax charge at increased rates	147,934	74,049
Tax losses not recognised	447,703	429,941
Total actual amount of current tax charge/(credit)	191,507	(240,921)

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

8 Tax on loss on ordinary activities (continued)

(c) Deferred tax

Deferred tax assets as at the balance sheet date were as follows:

	Year ended 31 December 2014 £	Year ended 31 December 2014 £	Year ended 31 December 2013 £	Year ended 31 December 2013 £
	Recognised	Unrecognised	Recognised	Unrecognised
Tax effect of timing differences due to:				
Tax losses carried forward	-	-	-	388,885
	-	-	-	388,885

The tax rate used for tax on results on ordinary activities is the standard rate for UK corporation tax. During the year, the UK main corporation tax rate was reduced from 23% to 21%.

In addition to these changes in rates of corporation tax a number of further changes to the UK corporation tax system were announced in the March 2014 UK Budget Statement. Legislation has been introduced to reduce the main rate of corporation tax from 21% to 20% from 1 April 2015. The tax rate applied to calculate the UK deferred tax balances was therefore reduced from 21% to 20%.

In the budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly.

The deferred asset in relation to tax losses carried forward has not been recognised as there is insufficient evidence that the asset will be recovered through future taxable profits.

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

9 Tangible Fixed Assets

	Leasehold improvements £	Fixtures, fittings, tools and equipment £	Computer equipment £	Total £
Cost				
At 1 January 2014	15,657,605	3,878,246	410,352	19,946,203
Exchange differences	469,349	88,146	17,506	575,001
Additions	1,737,317	730,138	113,422	2,580,877
At 31 December 2014	17,864,271	4,696,530	541,280	23,102,081
Depreciation				
At 1 January 2014	4,019,596	666,514	166,782	4,852,892
Exchange differences	106,671	14,173	6,833	127,677
Charge for the year	1,999,078	597,041	73,500	2,669,619
At 31 December 2014	6,125,345	1,277,728	247,115	7,650,188
Net book value				
At 31 December 2014	11,738,926	3,418,802	294,165	15,451,893
At 31 December 2013	11,638,009	3,211,732	243,570	15,093,311

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

10 Investments

	31 December 2014 £	31 December 2013 £
Cost and net book value		
Brought forward at 1 January	1,389,294	-
Additions	-	1,389,294
Carried forward at 31 December	<u>1,389,294</u>	<u>1,389,294</u>

In 2013 the company invested in 100% of the share capital of Alexander McQueen Italia SRL, a company incorporated in Italy. The principal activity of the company is to operate the Alexander McQueen brand's stores in Italy.

11 Stocks

	31 December 2014 £	31 December 2013 £
Finished goods and goods for resale	<u>15,087,163</u>	<u>12,219,868</u>

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

12 Debtors

	31 December 2014	31 December 2013
	£	£
Amounts falling due within one year:		
Trade debtors	7,292,172	6,361,989
Amounts due from group undertakings	12,536,980	6,692,485
Other debtors	1,478,612	1,404,036
Prepayments	1,319,144	1,252,362
	<u>22,626,908</u>	<u>15,710,872</u>

13 Creditors

	31 December 2014	31 December 2013
	£	£
Amounts falling due within one year:		
Amounts owed to group undertakings	42,802,711	34,748,772
Other taxes and social security	646,182	311,031
Accruals and deferred income	5,717,785	5,555,588
Other Creditors	4,675,035	1,396,768
	<u>53,841,713</u>	<u>42,012,159</u>

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

14 Called up share capital

	31 December 2014 £	31 December 2013 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

	31 December 2014 £	31 December 2013 £
Called up, allotted and fully paid		
1 ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

Alexander McQueen Trading Limited

Notes to the accounts (continued)

For year ended 31 December 2014

15 Combined reconciliation of movements in equity shareholders' funds and statement of movement on reserves

	Share capital	Profit and Loss Account	Total year ended 31 December 2014	Total year ended 31 December 2013
	£	£	£	£
Opening equity-				
Shareholders' funds	1	2,495,901	2,495,902	3,842,799
Retained loss for the period	-	(1,194,367)	(1,194,367)	(1,374,515)
Exchange loss	-	131,890	131,890	27,618
Closing equity-				
Shareholders' funds	1	1,433,424	1,433,425	2,495,902

16 Financial commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

Land and buildings	31 December 2014 £	31 December 2013 £
Expiring in less than 1 year	109,333	-
Expiring in 2 - 5 years	2,830,147	1,193,635
Expiring after five years	3,502,421	4,575,979
	<u>6,441,901</u>	<u>5,769,614</u>

17 Ultimate holding company, holding company and controlling party

Kering S.A., a company incorporated in France, is the ultimate parent company and the largest and smallest group to consolidate these financial statements. Consolidated accounts including the results of the company are available to the public from 10 Avenue Hoche, 75381, Paris Cedex 08, France.

The company's immediate holding company is Birdswan Solutions Limited, a company incorporated in the United Kingdom.