

Jaeger Holdings Limited
Annual report and financial statements
for the period ended 1 March 2014

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Jaeger Holdings Limited

Annual report and financial statements for the period ended 1 March 2014

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Jaeger Holdings Limited

Directors' and advisers for the period ended 1 March 2014

Directors

N I B Sanders (resigned 23 June 2014)
M N K Aldridge (resigned 20 January 2014, reappointed 18 June 2014)
R A Asplin (resigned 20 January 2014)
G J Edgerton (resigned 16 December 2013)
F M Timothy (appointed 20 January 2014, resigned 26 March 2014)
C G Henry (appointed 20 January 2014)
R L Kozlowski (appointed 20 January 2014, resigned 22 July 2014)
A M Mackenzie (resigned 30 August 2013)
H S Atwal (appointed 22 July 2014)

Company secretaries

R M Warwick-Saunders
D M K Atkar (resigned 20 January 2014)

Registered office

Jaeger House
57 Broadwick Street
London
W1F 9QS

Independent auditor

KPMG LLP
Botanic House
100 Hills Road
Cambridge
CB2 1AR

Solicitors

Macfarlanes
20 Curistor Street
London
EC4A 1LT

Bankers

Lloyds TSB Bank PLC
25 Gresham Street
London
EC2 7HN

Jaeger Holdings Limited

Strategic report for the period ended 1 March 2014

Principal activity and review of the business

The principal activity of the company is that of a holding company for subsidiaries engaged in the retailing and wholesaling of Jaeger womenswear and menswear fashion products.

On the 16 April 2012 the Jaeger group of companies that included Jaeger Holdings Limited, were acquired by BECAP Jaeger (UK) Limited.

As an intermediate holding company, the directors have not identified any key performance indicators within the business.

Subsequent to the year end the Jaeger group of companies have received a total of £16.0m of further investment from the ultimate parent BECAP12 Fund LP. The investment will be used to refurbish existing stores and roll-out new stores, continue IT and website improvements and fund working capital. The investment represents a continued endorsement of the business by its investors.

Principal risks and uncertainties

The company's principle business risks are summarised below, together with the key processes which are in place to monitor and manage them.

Market Risks

The markets we serve are subject to fluctuation in demand by customers, which are linked to the wider economic environment. The company monitors market development and reflects these in its business planning processes.

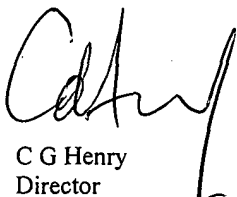
Operational Risks

Operational risks refers to the risk of financial loss from issues relating to internal process, people and systems. The company manages this area of risk through internal controls and intervention when required, together with management reporting systems and appropriate insurance cover.

Liquidity Risks

Liquidity risk refers to the risk that the company may be unable to fund its ongoing cash requirements. The company manages and monitors its liquidity position using treasury tools such as rolling cash flow forecasts and regular cash reviews.

The directors are satisfied that the appropriate processes are in place to monitor the risks facing the company.



C G Henry
Director
26 November 2014

Jaeger Holdings Limited

Directors' report for the period ended 1 March 2014

The directors present their report and the audited financial statements of the company for the period ended 1 March 2014.

Results and dividends

The loss for the financial period after taxation was £nil (2013: loss £1,355,710). The directors do not recommend the payment of a dividend (2013: £nil) and accordingly the retained loss for the financial period of £nil (2013: loss £1,355,710) has been transferred to reserves.

Directors

The directors who held office during the period, and subsequent to the period end, are given below:

N I B Sanders (resigned 23 June 2014)
M N K Aldridge (resigned 20 January 2014, reappointed 18 June 2014)
R A Asplin (resigned 20 January 2014)
G J Edgerton (resigned 16 December 2013)
A M Mackenzie (resigned 30 August 2013)
F M Timothy (appointed 20 January 2014, resigned 26 March 2014)
C G Henry (appointed 20 January 2014)
R L Kozlowski (appointed 20 January 2014, resigned 22 July 2014)
H S Atwal (appointed 22 July 2014)

Charitable and political donations

No charitable donations were made during the period (2013: £nil). No political donations were made during the period (2013: £nil).

Statement of directors' responsibilities

The directors are responsible for preparing the 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 prepared 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 of the company for that period. In preparing these financial statements, the directors are required to:

- ☐ select suitable accounting policies and then apply them consistently;
- ☐ make judgements and accounting estimates that are reasonable and prudent;
- ☐ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ☐ 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.

Jaeger Holdings Limited

Directors report for the period ended 1 March 2014 (continued)

Disclosure of information to auditor

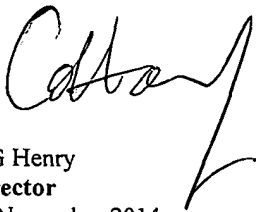
The directors that held office at the date of approval of this directors report confirm that:

- ☐ So far as they are each aware, there is no relevant audit information of which the company's auditor are unaware; and
- ☐ Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent 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.

By order of the board



C G Henry
Director
26 November 2014

Independent auditor's report to the members of Jaeger Holdings Limited

We have audited the financial statements of Jaeger Holdings Limited for the period ended 1 March 2014 set out on pages 6 to 15. 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 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 1 March 2014 and of its result for the period 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 directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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.

Matthew Lewis (Senior Statutory Auditor)

For and on behalf of KPMG LLP

Chartered Accountants

Botanic House

100 Hills Road

Cambridge

CB2 1AR

26 November 2014

Jaeger Holdings Limited

Profit and loss account for the period ended 1 March 2014

	Note	Period ended 1 March 2014 £'000	Period ended 23 February 2013 £'000
Turnover	1	12	38
Gross profit		12	38
Exceptional items	7	-	(1,356)
Operating profit / (loss)		12	(1,318)
Interest payable and similar charges	2	(12)	(38)
Loss on ordinary activities before taxation		-	(1,356)
Tax on loss on ordinary activities	5	-	-
Loss for the financial period		-	(1,356)

The above results relate to continuing operations for both the current and prior financial period.

The company has no recognised gains and losses other than the loss above and therefore no separate statement of total recognised gains and losses have been presented.

There is no difference between the loss on ordinary activities before taxation and the loss it for the financial period stated above and their historical cost equivalents.

The notes on pages 8 to 15 form an integral part of these financial statements.

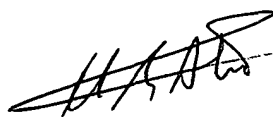
Jaeger Holdings Limited

Balance sheet as at 1 March 2014

	Note	1 March 2014 £'000	23 February 2013 £'000
Fixed assets			
Investments	8	14,983	14,983
		14,983	14,983
Current assets			
Debtors	9	44,930	43,088
Cash at bank and in hand		46	-
		44,976	43,088
Creditors - amounts falling due within one year	10	(53,098)	(51,194)
Net current liabilities		(8,122)	(8,106)
Total assets less current liabilities		6,861	6,877
Creditors - amounts falling due after one year	11	-	(16)
Net assets		6,861	6,861
Capital and reserves			
Called up share capital	13	11,542	11,542
Share premium account	14	6,036	6,036
Profit and loss account	15	(10,717)	(10,717)
Shareholders' funds	16	6,861	6,861

The notes on pages 8 to 15 form an integral part of these financial statements.

The financial statements on pages 6 to 15 were approved by the board of directors on 26 November 2014 and were signed on its behalf by:



H S Atwal
Director
Registered number: 19149

Jaeger Holdings Limited

Statement of accounting policies

The principal accounting policies, which have been consistently applied, are set out below.

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable UK accounting standards.

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by BECAP12 Jaeger Limited, the ultimate parent company. The board of BECAP12 Jaeger Limited have provided the company 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 will not seek repayment of amounts currently made available.

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on another company for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of the financial statements, they have no reason to believe that it will not do so and thus they continue to adopt the going concern basis of accounting.

Turnover

Turnover represents the management recharge to another company.

Exceptional items

The company classifies as exceptional those significant items that are a one-off in nature and do not reflect the underlying performance of the company.

Deferred taxation

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets are recognised only to the extent that they are regarded as recoverable such that it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Investments in subsidiary undertakings

The cost of investments in subsidiary undertakings is recorded as cash paid and any further costs connected with the acquisition. Provision is made where necessary to reduce the carrying value of an investment to its estimated recoverable amount where in the opinion of the directors there has been impairment.

Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date or at the agreed contractual rate. Transactions in foreign currency are translated at the rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account in the period in which they arise.

Cash flow statement

The company is a wholly owned subsidiary of Jaeger London Limited and is included in its consolidated financial statements, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 'cash flow statements' (revised 1996).

Jaeger Holdings Limited

Notes to the financial statements for the period ended 1 March 2014

1 Result / (loss) on ordinary activities before taxation

	Period ended 1 March 2014 £'000	Period ended 23 February 2013 £'000
<hr/>		
Result / (loss) on ordinary activities before taxation is stated after crediting:		
Management recharge to another group company	12	38
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Auditors' remuneration is £3,000 (2013: £3,000) and was borne by another group company.

2 Interest payable and similar charges

	Period ended 1 March 2014 £'000	Period ended 23 February 2013 £'000
<hr/>		
Interest payable on loans	12	38
Interest payable and similar charges	12	38
<hr/>		

3 Dividends

There were £nil dividends paid in the period (2013: £nil).

4 Directors' emoluments

No emoluments or fees were paid to directors during the period (2013: £nil) in respect of their services to the company. The directors are remunerated for their services to the group. Their emoluments are shown in the financial statements of Jaeger London Limited, as it is not predictable to allocate their remuneration to the company based on the services performed.

Jaeger Holdings Limited

Notes to the financial statements for the period ended 1 March 2014 (continued)

5 Tax on loss on ordinary activities

	Period ended 1 March 2014 £'000	Period ended 23 February 2013 £'000
Result / (loss) on ordinary activities before taxation	-	(1,356)
Result / (loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK (23.09%) (2013: 24.49%)	-	(332)
Effects of:		
Expenses not deductible for tax purposes	-	-
Impact of rate difference between deferred and current tax	-	20
Standard timing differences	(2)	-
Losses carried forward	2	312
Current tax charge for the period	-	-

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 17 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were enacted on 17 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 1 March 2014 has been calculated based on the rates of 20% enacted at the balance sheet date.

6 Deferred tax

The amounts of deferred tax provided and unprovided are as follows:

	Period ended 1 March 2014		Period ended 23 February 2013	
	Provided £'000	Unprovided £'000	Provided £'000	Unprovided £'000
Carried forward trading losses	-	(13)	-	(312)
	-	(13)	-	(312)

The potential deferred tax asset has not been recognised in these financial statements since the company cannot be reasonably certain of the profit profile required which would allow the asset to crystallise.

Jaeger Holdings Limited

Notes to the financial statements for the period ended 1 March 2014 (continued)

7 Exceptional items

Exceptional items incurred in the period as shown below:

	Period ended 1 March 2014 £'000	Period ended 23 February 2013 £'000
Provision against amounts owed from Jaeger Group Limited	-	1,356
Total exceptional items	-	1,356

Jaeger Group Limited was put into administration on 16 April 2012. The amount due from Jaeger Group Limited to the company at that time was £1,355,710. The directors decided to make a full provision against the amounts outstanding and this was treated as an exceptional item. On 19 April 2012 Jaeger Group Limited changed its name to Gustav (Realisations) Limited.

8 Investments

Investments represent the cost of investments in subsidiary companies as follows:

Company	Shares in group undertaking £'000
Cost as at 23 February 2013 and 1 March 2014	27,512
Provision as at 23 February 2013 and 1 March 2014	(12,529)
Net Book Value as at 23 February 2013 and 1 March 2014	14,983

In the opinion of the directors the recoverable amount of these subsidiaries is not less than the aggregate of the amounts at which those assets are included in the balance sheet. Provision has been made to the extent that the carrying value of the investment exceeds the value of the net assets of that investment.

Jaeger Holdings Limited

Notes to the financial statements for the period ended 1 March 2014 (continued)

8 Investments (continued)

Details of the company's subsidiary undertakings are provided below:

Name of undertaking	Country of incorporation & operation	Principal activities	Proportion of issued shares held %
The Jaeger Company's Shops Limited	England	Retail distribution of Jaeger Clothing	100
The Jaeger Company Limited	England	Administration of group services and distribution of Jaeger Clothing	100
CV Financial Services Limited	England	Dormant	100
Jaeger Danmark AS	Denmark	Retail distribution of Jaeger Clothing	100

9 Debtors

	1 March 2014 £'000	23 February 2013 £'000
Amounts owed by group undertakings	44,930	43,088
	44,930	43,088

Amounts owed by group undertakings are non interest bearing and have no date specified for repayment.

Jaeger Holdings Limited

Notes to the financial statements for the period ended 1 March 2014 (continued)

10 Creditors - amounts falling due within one year

	1 March 2014 £'000	23 February 2013 £'000
Other loans	16	88
Amounts owed to group undertakings	26,816	30,035
Amounts owed to parent undertakings	26,266	18,500
Other creditors	-	1,046
Other tax and social security	-	1,525
	53,098	51,194

Amounts owed to group undertakings are non interest bearing and have no date specified for repayment.

11 Creditors - amounts falling due after one year

	1 March 2014 £'000	23 February 2013 £'000
Other loans	-	16

12 Borrowings

Other loans are repayable as follows

	1 March 2014 £'000	23 February 2013 £'000
In one year or less	16	88
In more than one year but not more than two years	-	16
	16	104

Jaeger Holdings Limited

Notes to the financial statements for the period ended 1 March 2014 (continued)

13 Called up share capital

	1 March 2014 £'000	23 February 2013 £'000
Allotted and fully paid:		
46,168,003 ordinary share of 25p each	11,542	11,542

14 Share premium account

	£'000
At 23 February 2013 and at 1 March 2014	6,036

15 Profit and loss account

	£'000
As at 23 February 2013	(10,717)
Result for the financial period	-
As at 1 March 2014	(10,717)

16 Reconciliation of movements in shareholders' funds

	1 March 2014 £'000	23 February 2013 £'000
Result / (Loss) for the financial period	-	(1,356)
Net reduction to shareholders' funds	-	(1,356)
Opening shareholders' funds	6,861	8,217
Closing shareholders' funds	6,861	6,861

Jaeger Holdings Limited

Notes to the financial statements for the period ended 1 March 2014 (continued)

17 Related party transactions

The company is exempt under the terms of FRS 8 from disclosing related party transactions with other wholly owned entities that are part of the Jaeger Limited group.

18 Ultimate parent undertaking

The company's immediate parent undertaking is Jaeger London Limited, 57 Broadwick Street, London, W1F 9QS, a company incorporated in England and Wales.

The company's ultimate parent company is BECAP12 Jaeger Limited, a company with a registered office in Guernsey at Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4HY.

19 Controlling Party

The ultimate controlling party is BECAP12 Fund LP.

20 Post balance sheet event

Subsequent to the year end the Jaeger group of companies have received a total of £16.0m of further investment from the ultimate parent BECAP12 Fund LP. The investment will be used to refurbish existing stores and roll-out new stores, continue IT and website improvements and fund working capital. The investment represents a continued endorsement of the business by its investors.