Registered number: 00124201

J. BARBOUR & SONS, LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2019

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2019

The directors present their strategic report on the Group for the year ended 30 April 2019.

Introduction

J. Barbour & Sons, Ltd is a global lifestyle brand whose principal activity is to design, manufacture, licence and distribute clothing and accessories. J. Barbour & Sons, Limited owns subsidiary companies and details of those are shown in the notes to the financial statements. The group operates through the main revenue channels of wholesale, retail, ecommerce and licensing. Founded in 1894, by John Barbour, in South Shields in the North East of England, the company supplied oilskins and other garments to protect the growing community of sailors, fishermen and dockers. Since then, Barbour has continued to thrive on the unique values of the British countryside and offers a full range of wardrobe essentials.

Barbour distributes under three brands, Barbour, Barbour International and Barbour Beacon. The Barbour brand, known for its true heritage and country lifestyle, continues to grow and is widely recognised globally for its signature branding, clothing, footwear and accessories.

Barbour International, introduced in 1936 by Duncan Barbour and famously worn by Steve McQueen during the International Six Day Trials in 1964, continues to enjoy its long and rich motorcycling heritage. Inspired by the biker look and available across both men's and women's ranges, it continues to grow in popularity and has many inspired followers.

Barbour Beacon which was launched successfully in 2018, built upon the core roots of the Barbour brand, diversifying the offering to a slightly younger consumer group.

Business review

The group operates via wholesale, retail, ecommerce and licensing. The positive group performance has continued in a competitive marketplace and remains focused on the long-term vision of being recognised as the leading British global lifestyle brand.

The business operates via the UK and wholly owned subsidiaries in Germany and the United States of America. Exclusive, established distributors are used in the other major markets across the world.

During the period sales increased by £22.8m. This result shows the strength of our brands despite a backdrop of uncertainty and difficult trading conditions on the high street. The growth was consistent across the majority of major wholesale and distributor markets, with growth realised across many of our product category focus areas.

Operating profit increased by over £4.8m, despite a significant impact from House of Fraser falling into administration. The profit figure representing financial resilience and strength despite increasing pressure on margin, the ever increasing need to invest and continued foreign exchange challenges. Focus remains high on overhead cost control, while we strive to deliver excellent products and engaging consumer campaigns as well as unwavering commitment to excellence in customer experience.

The group balance sheet remains strong, with cash held in the business increasing to £87.2m (2018 - £64.5m) enabling us to work strategically toward our long-term vision, investing for the future sustainability of our brands and our business.

Future developments

Our focus will remain centred around a steady and well planned growth strategy, constantly investing to keep our offer up to date, our brands strong and service very competitive.
To drive our business forward, we will continue to invest in our people, our systems and our infrastructure. We have already made some structural advancements to prepare our business for Brexit and have invested in a framework to enhance our sustainability credentials.
We continue to believe there are many exciting and relevant markets around the world where our Brands can add value and enjoyment to consumers lives, as such we will continue to build relationships and expand our commercial reach and ambitions.
In parallel, we also believe in the continuation of our selective approach to strategic product category development, prioritising product quality and brand continuity, which we believe will deliver exciting opportunities for the controlled growth of our business going forward.

Principal risks and uncertainties

The EEA is a significant and well-established market for our business, and we plan to continue to invest and grow in this key market. Brexit represents a source of considerable uncertainty and risk that we have taken some steps to mitigate and minimise where possible. We have successfully implemented a customs warehouse in the UK, mitigating potential incremental duty headwinds relating to Brexit, we have also restructured parts of our legal entity to ensure we remain compliant as well as made changes to our inbound supply chain in an attempt to protect supply and customer service. We will continue to monitor the situation closely; ensure we communicate clearly and regularly with our customers and suppliers and, if appropriate, will take steps to invest in longer term sustainable solutions pending the outcome of the Brexit negotiations.
Other principal risks monitored include:
• Continued consumer demand. The group's ongoing strategy includes significant growth in international markets as well as new product introduction and innovation in the home market of the UK;
• Currency exposure fluctuations. The group operates in Sterling, Euro and Dollars and where possible we try to minimise the risk by natural hedging. Given the weak Sterling the group will endeavour to manage currency as closely as possible;
• Cost increases to raw materials, payroll and property. We continue to review and refine supplier relationships in all areas of the business and forward contract purchases where possible to mitigate risk and protect supply and quality;
• Brand Protection. We engage a protective strategy relating to the brand and its trademarks and actively engage to counteract any exposure to fraudulent activity globally;
• Credit exposure is very tightly monitored and although some trading relationships may have been set up for many years, we continue to monitor the exposure before releasing goods to customers, especially following the impact of the House of Fraser administration in 2018; and
• Due to the seasonality of the business, cash flow is monitored closely to enable the trade cycle to continue to operate smoothly.

Financial key performance indicators

The group regularly reports on and analyses a number of KPI's to monitor the financial performance of the business. The indicators are focused on the performance and stability of the business and are reviewed and set by the board to be in line with the vision and long-term growth plan of the business.

The principal key performance indicators used refer to overall sales growth, profitability and trading stability and include:

- Turnover increased from £202.3m to £225.1m, an increase of 11.3%;
- Gross Profit % increased to 54.2% (2018: 54.1%);
- Operating Profit % increased to 17.1% (2018: 16.6%);
- Cash (excluding short term investments) increased to £87.2m (2018: £64.5m); and
- Stocks increased to £36.4m (2018: £26.9m) - Impacted by both sales growth and proactive Brexit mitigation plans to avoid port delays and protect customer service.

The KPI's show a positive performance across the group with increases in turnover, gross profit margin, operating profit margin and cash balances held, all indicating improved trading performance and growth.

Other key performance indicator

Other key performance indicators also include employee engagement in the workplace. Barbour undertakes employee surveys to ensure the employees are trained and actively engaged with their role at Barbour with any development, team management and barriers addressed. The survey completed in December 2018 showed positive improvement in key areas across the group, such as active engagement had increased 3.6% while active disengagement reduced by 5.0%. We have continuous improvement plans covering training and development planning which we see as an important and valuable time investment from both senior management and employees alike.

This report was approved by the board on 10 October 2019 and signed on its behalf.

....
Dame Margaret Barbour DBE DL
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2019

The directors present their report and the financial statements for the year ended 30 April 2019.

Directors

The directors who served during the year were:

Dame Margaret Barbour DBE DL
Ms H M Barbour
Mr S M Buck
Mr I M Beattie
Mr I R Sime

Results and dividends

The profit for the year, after taxation, amounted to £31,152,250 *(2018 - £27,126,589)*.

The board do not recommend the payment of a final dividend (2018 - £nil).

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group 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 for the Group's financial statements and then apply them consistently;
- make judgments 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 Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

Environmental matters

Barbour is working towards a certified environmental management system in accordance with ISO 14001 commencing with our UK operations as we recognise the importance of minimising the negative impact we have on our environment in all areas of our business and to see where we can make improvements.

Barbour recognises the long term damage that plastic is causing to the global environment and is committed to finding ways to reduce our use where practical.
The actions that we have taken include but are not restricted to:
• Recycling waste packaging – both cardboard and plastic targeted to be 100% recycled from our Warehousing operations in the UK
• Moving towards paperless processes in warehouse and office activities (Accounts Receivable, Accounts Payable and Picking migrated) - targeted to reduce printing by 25%
• Segregation of waste across South Shields campus - targeted to segregate recyclable, food and general waste across head office campus

Employee involvement

Barbour undertakes employee surveys to ensure the employees are trained and actively engaged with their role at Barbour with any development, team management and barriers addressed. The surveys are shared throughout the group with feedback for improvement via a working team in each area of the business to ensure the vision for the brand is shared. The results were positive, including a 3.6% increase in active engagement and 5.0% reduction in active disengagement.
The team at J. Barbour & Sons, Ltd are fully committed to the vision and mission of the brand and care passionately in every aspect of their work. All employees take part in a bi-annual "Business Briefing" where they are kept up to date with developments across the business and are encouraged to feedback and input into company and departmental plans.

Disabled employees

The Company recognises its obligations under the Equality Act 2010 not to discriminate unlawfully against people with disabilities at any stage of employment, and undertakes:
• to employ people with disabilities in jobs suited to their aptitudes, abilities, and qualifications, making any reasonable adjustments necessary to do so;
• to support those that become disabled during the course of their employment making any reasonable adjustments in order that they can continue their employment and on-going training;
• to provide employees with disabilities an annual performance review with personal development plan that ensures there is a formal checkpoint and planning process to enable ongoing career development and training of the individual;
• to ensure that employees with disabilities are considered for promotion according to their aptitudes, abilities, and qualifications, making any reasonable adjustments necessary to do so;
• to ensure that assessments are carried out of the scope of reasonable adjustments which may be made to the workplace and its environment, so as to make it possible to retain an employee with a disability or to recruit a person with a disability;
• to make any reasonable alterations to Barbour premises required to ensure that they are accessible and safe for people with disabilities; and
• to make reasonable changes to the workplace and to employment arrangements so that a person with a disability is not at any substantial disadvantage compared to a non-disabled person.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

Matters covered in the strategic report

The following matters required for disclosure within the Directors' Report are considered by the Directors to be of strategic importance and are therefore covered in the Strategic Report:
• Future Developments

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditor

The auditor, Ryecroft Glenton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 10 October 2019 and signed on its behalf.

....
Dame Margaret Barbour DBE DL
Director

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF J. BARBOUR & SONS, LIMITED

Opinion

We have audited the financial statements of J. Barbour & Sons, Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 April 2019, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 April 2019 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF J. BARBOUR & SONS, LIMITED (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion 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 Group 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 Group Strategic Report and the 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 Group Strategic Report or the 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF J. BARBOUR & SONS, LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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.

Deborah Graham (Senior Statutory Auditor)

for and on behalf of
Ryecroft Glenton

Chartered Accountants
Statutory Auditor

32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

10 October 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2019

	Note	2019 £	*2018 £*
Turnover	4	225,163,850	*202,340,302*
Cost of sales		(103,182,959)	*(92,822,509)*
Gross profit		121,980,891	*109,517,793*
Distribution costs		(42,176,779)	*(43,317,892)*
Administrative expenses		(41,708,398)	*(32,989,864)*
Other operating income	5	301,650	*325,367*
Operating profit	6	38,397,364	*33,535,404*
Interest receivable and similar income		530,564	*138,021*
Interest payable and expenses	10	(64,193)	*(60,794)*
Other finance income/(costs)	11	190,000	*(179,000)*
Profit before taxation		39,053,735	*33,433,631*
Tax on profit	12	(7,901,485)	*(6,307,042)*
Profit for the financial year		31,152,250	*27,126,589*
Currency translation differences		435,871	*(369,265)*
Actuarial (losses)/gains on defined benefit pension scheme	31	(3,196,000)	*14,044,000*
Movement of pension surplus not recognised	31	2,943,000	*(6,876,000)*
Movement of deferred tax relating to pension deficit	31	43,010	*(1,218,560)*
Other comprehensive income for the year		225,881	*5,580,175*
Total comprehensive income for the year		31,378,131	*32,706,764*
Profit for the year attributable to:			
Owners of the parent Company		31,152,250	*27,126,589*
		31,152,250	*27,126,589*
Total comprehensive income for the year attributable to:			

Owners of the parent Company	**31,378,131**	*32,706,764*
	31,378,131	*32,706,764*

The notes on pages 20 to 50 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2019

	Note		2019 £		*2018 £*
Fixed assets					
Intangible assets	15		**64,188**		*78,059*
Tangible assets	16		**11,760,269**		*11,794,911*
Investments	17		**2**		*2*
			11,824,459		*11,872,972*
Current assets					
Stocks	18	**36,424,135**		*26,860,397*	
Debtors: amounts falling due after more than one year	19	**330,581**		*330,581*	
Debtors: amounts falling due within one year	19	**18,870,272**		*19,948,796*	
Current asset investments	20	**35,000,000**		*35,000,000*	
Cash at bank and in hand		**87,193,893**		*64,507,903*	
		177,818,881		*146,647,677*	
Creditors: amounts falling due within one year	21	**(28,205,714)**		*(27,787,223)*	
Net current assets			**149,613,167**		*118,860,454*
Total assets less current liabilities			**161,437,626**		*130,733,426*
Creditors: amounts falling due after more than one year	22		**(553)**		*(1,313)*
Provisions for liabilities					
Other provisions	26	**(2,294,020)**		*(2,857,823)*	
			(2,294,020)		*(2,857,823)*
Accruals and deferred income	27		**(223,796)**		*(333,164)*
Net assets excluding pension asset			**158,919,257**		*127,541,126*
Pension asset	31		**-**		*-*
Net assets			**158,919,257**		*127,541,126*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2019

	Note	2019 £	*2018 £*
Capital and reserves			
Called up share capital	28	**375,150**	*375,150*
Capital redemption reserve	29	**85,040**	*85,040*
Foreign exchange reserve	29	**882,585**	*599,706*
Profit and loss account	29	**157,576,482**	*126,481,230*
Equity attributable to owners of the parent Company		**158,919,257**	*127,541,126*
		158,919,257	*127,541,126*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 October 2019.

....
Dame Margaret Barbour DBE DL
Director

The notes on pages 20 to 50 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 30 APRIL 2019

	Note		2019 £		2018 £
Fixed assets					
Intangible assets	15		-		-
Tangible assets	16		9,765,149		8,238,455
Investments	17		4,000,357		4,000,357
			13,765,506		12,238,812
Current assets					
Stocks	18	29,623,361		22,238,106	
Debtors: amounts falling due after more than one year	19	330,581		330,581	
Debtors: amounts falling due within one year	19	13,294,180		16,603,921	
Current asset investments	20	35,000,000		35,000,000	
Cash at bank and in hand		79,088,521		55,224,087	
		157,336,643		129,396,695	
Creditors: amounts falling due within one year	21	(25,492,776)		(23,131,452)	
Net current assets			131,843,867		106,265,243
Total assets less current liabilities			145,609,373		118,504,055
Accruals and deferred income	27		(223,796)		(304,496)
Net assets excluding pension asset			145,385,577		118,199,559
Pension asset	31		-		-
Net assets			145,385,577		118,199,559

COMPANY BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2019

	Note		30 April 2019 £		*As restated 30 April 2018 £*
Capital and reserves					
Called up share capital	28		**375,150**		*375,150*
Capital redemption reserve	29		**85,040**		*85,040*
Profit and loss account brought forward		**117,739,369**		*99,627,840*	
Profit for the year		**27,396,008**		*27,162,089*	
Other changes in the profit and loss account		**(209,990)**		*(9,050,560)*	
Profit and loss account carried forward			**144,925,387**		*117,739,369*
			145,385,577		*118,199,559*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 October 2019.

....
Dame Margaret Barbour DBE DL
Director

The notes on pages 20 to 50 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2019

	Called up share capital	Capital redemption reserve	Foreign exchange reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 May 2017 (as previously stated)	**375,150**	**85,040**	**923,722**	**109,492,414**	**110,876,326**
Prior year adjustment	-	-	-	(1,041,964)	(1,041,964)
At 1 May 2017 (as restated)	375,150	85,040	923,722	108,450,450	109,834,362
Profit for the year	-	-	-	27,126,589	27,126,589
Currency translation differences	-	-	(324,016)	(45,249)	(369,265)
Actuarial movement on pension scheme	-	-	-	5,949,440	5,949,440
Dividends: Equity capital	-	-	-	(15,000,000)	(15,000,000)
At 1 May 2018	375,150	85,040	599,706	126,481,230	127,541,126
Profit for the year	-	-	-	31,152,250	31,152,250
Currency translation differences	-	-	282,879	152,992	435,871
Actuarial movement on pension scheme	-	-	-	(209,990)	(209,990)
At 30 April 2019	375,150	85,040	882,585	157,576,482	158,919,257

The notes on pages 20 to 50 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2019

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2017	**375,150**	**85,040**	**99,627,840**	**100,088,030**
Profit for the year	-	-	27,162,089	27,162,089
Actuarial gains on pension scheme	-	-	5,949,440	5,949,440
Dividends: Equity capital	-	-	(15,000,000)	(15,000,000)
At 1 May 2018	**375,150**	**85,040**	**117,739,369**	**118,199,559**
Profit for the period	-	-	27,396,008	27,396,008
Actuarial losses on pension scheme	-	-	(209,990)	(209,990)
At 30 April 2019	**375,150**	**85,040**	**144,925,387**	**145,385,577**

The notes on pages 20 to 50 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2019

	2019	*2018*
	£	*£*
Cash flows from operating activities		
Profit for the financial year	**31,152,250**	*27,126,589*
Adjustments for:		
Amortisation of intangible assets	**12,513**	*12,577*
Depreciation of tangible assets	**2,214,877**	*2,605,615*
Loss on disposal of tangible assets	**410,528**	*86,552*
Government grants	**(109,368)**	*(34,450)*
Interest paid	**64,193**	*60,794*
Interest received	**(530,564)**	*(138,021)*
Taxation charge	**7,901,485**	*6,307,042*
(Increase)/decrease in stocks	**(9,563,738)**	*2,709,509*
Decrease/(increase) in debtors	**162,883**	*(525,532)*
Increase in creditors	**591,048**	*2,532,602*
(Decrease)/increase in provisions	**(563,803)**	*1,728,823*
(Decrease) in net pension assets/liabs	**(64,000)**	*(581,000)*
Corporation tax (paid)	**(6,969,338)**	*(4,993,598)*
Net cash generated from operating activities	**24,708,966**	*36,897,502*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(2,499,913)**	*(3,502,872)*
Sale of tangible fixed assets	**13,141**	*22,339*
Purchase of short term unlisted investments	**-**	*(20,000,000)*
Interest received	**530,564**	*138,021*
Net cash from investing activities	**(1,956,208)**	*(23,342,512)*

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2019

	2019 £	2018 £
Cash flows from financing activities		
Repayment of finance leases	**(2,575)**	*(2,037)*
Dividends paid	**-**	*(15,000,000)*
Interest paid	**(64,193)**	*(60,794)*
Net cash used in financing activities	**(66,768)**	*(15,062,831)*
Net increase/(decrease) in cash and cash equivalents	**22,685,990**	*(1,507,841)*
Cash and cash equivalents at beginning of year	**64,507,903**	*66,015,744*
Cash and cash equivalents at the end of year	**87,193,893**	*64,507,903*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**87,193,893**	*64,507,903*
	87,193,893	*64,507,903*

The notes on pages 20 to 50 form part of these financial statements.

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 30 APRIL 2019

	At 1 May 2018	Cash flows	At 30 April 2019
	£	£	£
Cash at bank and in hand	64,507,903	22,685,990	87,193,893
Debt due within 1 year	(2,006,765)	66,572	(1,940,193)
Finance leases	(4,003)	2,575	(1,428)
	62,497,135	22,755,137	85,252,272

The notes on pages 20 to 50 form part of these financial statements.

1. General information

The company is a private limited company, limited by shares which is incorporated and registered in England and Wales (no. 00124201). The address of the registered office is Simonside Industrial Estate, South Shields, Tyne and Wear, NE34 9PD. The principal activity of the company is the design, manufacture, licence and distribution of clothing and accessories.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained.

2.3 Going concern

A review of the Group's business activities is provided within the strategic report. In addition, the strategic report discloses the Group's principal risks and uncertainties, including exposures to competitive, legislative and financial risk. The company has considerable financial resources and the directors believe that the Group is well placed to manage its business risks successfully and continue in existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis of preparation for these financial statements.

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Retail sales, returns and allowances are reflected at the dates of transactions with customers. Wholesale sales are recognised when the significant risks and rewards of ownership have transferred to the customer, with provisions made for expected returns and allowances. Provisions for returns on retail and wholesale sales are calculated based on historical return levels. Royalties receivable from licencees are accrued as earned on the basis of the terms of the relevant royalty agreement.

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful life of intangible assets is as follows:-

Goodwill - 15 years

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using either the straight line or reducing balance method as appropriate.

Depreciation is provided on the following basis:

Freehold property	- 2% per annum straight line
Long term leasehold property	- over the period of the lease
Plant and machinery	- 10% to 33% per annum straight line and 25% per annum reducing balance
Motor vehicles	- 20% to 25% per annum reducing balance
Fixtures and fittings	- 10% to 33% per annum straight line and 25% per annum reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value on a first in first out basis. Cost is calculated as a standard production cost which includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity.

At each balance sheet date, stocks are assessed for impairment and provision is made for obsolete, slow-moving or defective items where appropriate. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2. Accounting policies (continued)

2.11 Current asset investments

Current asset investments are fixed term deposits with maturity dates greater than three months from the date of inception. They are measured at amortised cost.

2.12 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2. Accounting policies (continued)

2.15 Foreign currency translation

Functional and presentation currency

The Group's presentational currency is GBP. The Company's functional currency is GBP. The functional currency of certain subsidiaries is the currency of the economic area in which the subsidiary operates.

Transactions and balances

Foreign currency transactions of the Group are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items of the Group are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses of the Group resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Translation of group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to GBP using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of transactions are used. Exchange differences arising on the translation of group companies are recognised in other comprehensive income.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.17 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2. Accounting policies (continued)

2.18 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

Defined benefit pension plan

The Group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'actuarial loss on defined benefit schemes'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

a) the increase in net pension benefit liability arising from employee service during the period; and

b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.19 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2. Accounting policies (continued)

2.20 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Consolidated Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

• The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;

• Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and

• They are not recognised where they relate to timing differences in respect of interests in subsidiaries and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.21 Trademark applications and renewals

Trademark applications and renewals are charged to the Profit and Loss Account.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Stock Provisioning

The value of stocks, including raw materials, work in progress and finished goods, has been reduced by a provision for slow-moving or obsolete stock. The provision applies assumptions based on the age, category and predicted future use of the stock, such that no value is carried if it is over a certain age in the case of finished goods or is not expected to be utilised in the manufacture of future seasons ranges in the case of raw materials.

Defined Benefit Pension Scheme

The company has obligations to pay pension benefits to certain employees. The cost of those benefits and the present value of the obligations depend on a number of factors, including life expectancy, salary increases, asset valuations, and the discount rate used on certain investments. Estimates are required in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

Recoverability of debtors

The company makes allowances for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyses historical bad debts and current economic trends when making a judgment to evaluate the adequacy of the bad debt provision. Where expectation is different from the original estimate, such difference will impact the carrying value of debtors.

4. Turnover

An analysis of turnover by class of business is as follows:

	2019	*2018*
	£	*£*
Sale and distribution of clothing and accessories	**225,163,850**	*202,340,302*
	225,163,850	*202,340,302*

The directors consider that any further analysis of turnover would be unfairly prejudicial to the interest of the group.

5. Other operating income

	2019	*2018*
	£	*£*
Net rents receivable	**27,170**	*26,245*
Government grants receivable	**109,368**	*34,450*
Insurance claims receivable	**-**	*52,393*
Sundry income	**165,112**	*212,279*
	301,650	*325,367*

6. Operating profit

The operating profit is stated after charging/(crediting):

	2019	*2018*
	£	*£*
Depreciation of tangible fixed assets	2,214,877	*2,605,615*
Amortisation of intangible assets, including goodwill	12,513	*12,577*
Exchange differences	512,299	*(282,827)*
Operating lease rentals - Land and buildings	8,169,779	*8,127,065*
Operating lease rentals - Motor vehicles	170,759	*186,656*

7. Auditor's remuneration

	2019	*2018*
	£	*£*
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	54,982	*65,850*

Fees payable to the Group's auditor and its associates in respect of:

The auditing of accounts of subsidiaries of the Group pursuant to legislation	8,404	*8,197*
Taxation compliance services	14,530	*14,200*
All other non-audit services not included above	21,780	*19,440*
	44,714	*41,837*

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2019	2018
	£	£
Wages and salaries	27,092,382	24,736,020
Social security costs	2,235,260	2,128,469
Pension costs and healthcare	1,703,162	2,324,533
	31,030,804	29,189,022

The average monthly number of employees, including the directors, during the period was as follows:

	2019	2018
	No.	No.
Distribution and administration	820	826
Production	139	142
	959	968

9. Directors' remuneration

	2019	*2018*
	£	*£*
Directors' emoluments	1,891,814	*1,614,612*
Company contributions to defined contribution pension schemes	53,737	*58,098*
	1,945,551	*1,672,710*

The highest paid director received remuneration of £1,251,264 *(2018 - £1,010,219)*.

The value of the company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £40,476 *(2018 - £40,476)*.

The total accrued pension provision of the highest paid director at 30 April 2019 amounted to £87,380 *(2018 - £87,380)*.

During the year retirement benefits were accruing to 2 directors (2018 - 1) in respect of defined contribution pension schemes.
During the year retirement benefits were accruing to 1 director (2018 - 1) in respect of defined benefit pension schemes.

10. Interest payable and similar expenses

	2019	*2018*
	£	*£*
Bank interest payable	85	-
Other interest payable	64,108	*60,794*
	64,193	*60,794*

11. Other finance income/(costs)

	2019	*2018*
	£	*£*
Net interest on net defined benefit liability	190,000	*(179,000)*
	190,000	*(179,000)*

12. Taxation

	2019 £	*2018* *£*
Corporation tax		
Current tax on profits for the year	**7,650,830**	*7,094,486*
Adjustments in respect of previous periods	**(72,265)**	*(6,809)*
Movement in tax paid on unrealised profits	**(182,503)**	*109,641*
	7,396,062	*7,197,318*
Double taxation relief	**(648,207)**	*(614,989)*
	6,747,855	*6,582,329*
Foreign tax		
Foreign tax on income for the year	**773,357**	*862,712*
	773,357	*862,712*
Total current tax	**7,521,212**	*7,445,041*
Deferred tax		
Origination and reversal of timing differences	**380,273**	*(1,137,999)*
Total deferred tax	**380,273**	*(1,137,999)*
Taxation on profit on ordinary activities	**7,901,485**	*6,307,042*

12. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the year is higher than *(2018 - lower than)* the standard rate of corporation tax in the UK of 19% *(2018 - 19%)*. The differences are explained below:

	2019	*2018*
	£	*£*
Profit on ordinary activities before tax	39,053,735	*33,433,631*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	7,420,210	*6,373,959*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	115,729	*117,698*
Capital allowances for year in excess of depreciation	72,342	*241,769*
Adjustments to tax charge in respect of prior periods	(72,265)	*(6,809)*
Short term timing difference leading to an increase (decrease) in taxation	(219,572)	*411,309*
Deferred tax movement	380,273	*(1,137,999)*
Double taxation relief	(870,823)	*(756,642)*
Overseas corporation tax	1,075,591	*1,063,757*
Total tax charge for the year	7,901,485	*6,307,042*

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

13. Dividends

	2019	*2018*
	£	*£*
Dividends paid on Ordinary share capital	-	*15,000,000*
	-	*15,000,000*

14. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £27,396,008 *(2018 - £27,162,089)*.

15. Intangible assets

Group

	Goodwill
	£
Cost	
At 1 May 2018	**667,154**
Foreign exchange movement	**(3,951)**
At 30 April 2019	**663,203**
Amortisation	
At 1 May 2018	**589,095**
Charge for the year	**12,513**
Foreign exchange movement	**(2,593)**
At 30 April 2019	**599,015**
Net book value	
At 30 April 2019	**64,188**
At 30 April 2018	*78,059*

15. Intangible assets (continued)

Company

	Goodwill
	£
Cost	
At 1 May 2018	**95,814**
At 30 April 2019	**95,814**
Amortisation	
At 1 May 2018	**95,814**
At 30 April 2019	**95,814**
Net book value	
At 30 April 2019	**-**
At 30 April 2018	*-*

16. Tangible fixed assets

Group

	Freehold property	Long Term Leasehold Property	Plant & Machinery	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£	£	£
Cost						
At 1 May 2018	1,745,417	9,021,165	15,268,784	198,256	1,787,445	28,021,067
Additions	-	1,300,337	973,986	-	225,590	2,499,913
Disposals	-	(66,135)	(1,225,383)	(23,340)	(357,638)	(1,672,496)
Exchange adjustments	38,321	-	270,377	9,380	(29,470)	288,608
At 30 April 2019	1,783,738	10,255,367	15,287,764	184,296	1,625,927	29,137,092
Depreciation						
At 1 May 2018	653,213	2,588,669	11,851,370	80,214	1,052,690	16,226,156
Charge for the year on owned assets	25,113	224,471	1,576,215	30,273	358,805	2,214,877
Disposals	-	(2,950)	(956,069)	(6,419)	(283,389)	(1,248,827)
Exchange adjustments	20,544	-	185,178	2,842	(23,947)	184,617
At 30 April 2019	698,870	2,810,190	12,656,694	106,910	1,104,159	17,376,823
Net book value						
At 30 April 2019	1,084,868	7,445,177	2,631,070	77,386	521,768	11,760,269
At 30 April 2018	*1,092,204*	*6,432,496*	*3,417,414*	*118,042*	*734,755*	*11,794,911*

16. Tangible fixed assets (continued)

Company

	Freehold property	Long Term Leasehold Property	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1 May 2018	-	8,333,517	10,673,751	29,270	19,036,538
Additions	-	1,300,337	814,567	-	2,114,904
Transfers intra group	1,055,921	62,751	241,474	-	1,360,146
Disposals	-	(66,135)	(867,875)	-	(934,010)
At 30 April 2019	1,055,921	9,630,470	10,861,917	29,270	21,577,578
Depreciation					
At 1 May 2018	-	2,434,907	8,333,906	29,270	10,798,083
Charge for the year on owned assets	-	224,471	1,062,072	-	1,286,543
Transfers intra group	294,596	9,034	223,420	-	527,050
Disposals	-	(2,950)	(796,297)	-	(799,247)
At 30 April 2019	294,596	2,665,462	8,823,101	29,270	11,812,429
Net book value					
At 30 April 2019	761,325	6,965,008	2,038,816	-	9,765,149
At 30 April 2018	*-*	*5,898,610*	*2,339,845*	*-*	*8,238,455*

17. Fixed asset investments

Group

	Other investments £
Cost	
At 1 May 2018	**2**
At 30 April 2019	**2**

Company

	Investments in Subsidiary Companies £
Cost	
At 1 May 2018	**4,000,357**
At 30 April 2019	**4,000,357**

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Barbour France SARL	€15 ordinary shares	100%
Barbour Incorporated	$1 capital stock	100%
Barbour (Europe) Limited	£1 ordinary shares	100%
W.K.B Limited	NZ$1 ordinary shares	100%
J Barbour & Sons (Manufacturing) Limited	£1 ordinary shares	100%
Barbour (Liddesdale) Limited	£1 ordinary shares	100%
Barbour (Footwear) Limited	£1 ordinary shares	100%
Barbour (Footwear) Limited	£1 ordinary shares	100%
Trailspark Limited	£1 ordinary shares	100%

All shares are held directly by J Barbour & Sons Limited.
The financial statements consolidate the accounts of J Barbour & Sons Limited and all subsidiaries are included within these consolidated financial statements.

Details of other investments:

Other investments comprise 2% NZ$1 shares held in W.K. Backhouse Limited (incorporated in New Zealand) a dormant company whose business was the manufacture and distribution of clothing.

18. Stocks

	Group		Company	
		Group		*Company*
	2019	*2018*	**2019**	*2018*
	£	*£*	**£**	*£*
Raw materials	**1,684,428**	*2,278,582*	**1,684,428**	*2,278,582*
Work in progress	**3,947,202**	*3,214,472*	**3,947,202**	*3,214,472*
Finished goods and other stocks	**30,792,505**	*21,367,343*	**23,991,731**	*16,745,052*
	36,424,135	*26,860,397*	**29,623,361**	*22,238,106*

An impairment reversal of £323,073 *(2018 - £135,525)* was recognised in cost of sales during the year against the provision for slow-moving and obsolete stock.

19. Debtors

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Due after more than one year				
Other debtors	**330,581**	*330,581*	**330,581**	*330,581*
	330,581	*330,581*	**330,581**	*330,581*

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Due within one year				
Trade debtors	**11,197,738**	*10,609,993*	**8,903,198**	*8,324,769*
Amounts owed by group undertakings	**-**	*-*	**-**	*2,917,587*
Other debtors	**1,636,950**	*3,121,099*	**910,855**	*1,445,809*
Prepayments and accrued income	**4,008,742**	*4,103,286*	**3,416,923**	*3,625,507*
Tax recoverable	**716,177**	*533,674*	**-**	*-*
Deferred taxation	**1,310,665**	*1,580,744*	**63,204**	*290,249*
	18,870,272	*19,948,796*	**13,294,180**	*16,603,921*

20. Current asset investments

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Unlisted investments (liquid)	**35,000,000**	*35,000,000*	**35,000,000**	*35,000,000*
	35,000,000	*35,000,000*	**35,000,000**	*35,000,000*

Unlisted investments comprise fixed term deposits with maturity dates greater than three months from the date of inception. As such, they do not meet the definition of "cash equivalents" under the accounting policies adopted by the company.

21. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	14,079,995	13,993,812	13,368,842	12,868,854
Amounts owed to group undertakings	-	-	1,095,691	-
Corporation tax	2,802,798	2,973,539	2,612,011	2,782,752
Other taxation and social security	479,118	580,441	396,293	397,959
Obligations under finance lease and hire purchase contracts	875	2,690	-	-
Other creditors	1,940,193	2,006,765	1,940,193	2,006,768
Accruals and deferred income	8,902,735	8,229,976	6,079,746	5,075,119
	28,205,714	27,787,223	25,492,776	23,131,452

22. Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £
Net obligations under finance leases and hire purchase contracts	553	1,313
	553	1,313

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2019 £	Group 2018 £
Within one year	875	2,690
Between 1-5 years	553	1,313
	1,428	4,003

24. Financial instruments

	Group 2019 £	*Group 2018 £*	**Company 2019 £**	*Company 2018 £*
Financial assets				
Financial assets that are debt instruments measured at amortised cost	**47,156,692**	*47,439,514*	**44,237,538**	*46,580,005*
Financial liabilities				
Financial liabilities measured at amortised cost	**24,924,351**	*24,234,556*	**22,484,470**	*19,950,739*

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, rent deposits, other debtors and current asset investments.

Financial liabilities measured at amortised cost comprise trade creditors, accruals, hire purchase creditors, other creditors and provisions for liabilities that are to be settled in cash.

25. Deferred taxation

Group

	2019 £
At beginning of year	**1,580,744**
Charged to profit or loss	**(340,263)**
Utilised in year	**70,184**
At end of year	**1,310,665**

25. Deferred taxation (continued)

Company

	2019
	£
At beginning of year	290,249
Charged to profit or loss	(227,045)
At end of year	63,204

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Accelerated capital allowances	69,936	*190,076*	(77,207)	*102,788*
Other timing differences	1,240,729	*1,390,668*	140,411	*187,461*
	1,310,665	*1,580,744*	63,204	*290,249*

26. Provisions

Group

	Onerous lease provision
	£
At 1 May 2018	2,857,823
Utilised in year	(563,803)
At 30 April 2019	2,294,020

Onerous lease provision represents provision for onerous lease contracts in a subsidiary company.

27. Accruals and deferred income: Amounts falling due after more than one year

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Grants	223,796	*333,164*	223,796	*304,496*
	223,796	*333,164*	223,796	*304,496*

28. Share capital

	2019 £	*2018 £*
Allotted, called up and fully paid		
365,050 Ordinary shares of £1 each	365,050	*365,050*
10,100 2.8% non cumulative preference shares of £1 each	10,100	*10,100*
	375,150	*375,150*

The preference shares are not redeemable and are non-voting, except in circumstances affecting the preference shareholders' rights. They have no right to participation in dividend distributions. They do have a preferential right to return of capital in the event of the company being wound up.

29. Reserves

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

Foreign exchange reserve

This reserve is an accumulation of foreign exchange amounts arising from the translation of the company's foreign denominated holdings in subsidiaries into GBP.

Profit & loss account

This reserve includes all current and prior period retained profits and losses.

30. Capital commitments

At 30 April 2019 the Group and Company had capital commitments as follows:

	Group 2019 £	*Group 2018 £*	**Company 2019 £**	*Company 2018 £*
Contracted for but not provided in these financial statements	**176,358**	*586,408*	**176,358**	*586,408*

31. Pension commitments

The Group operates a defined contribution pension scheme for UK employees.

The assets of the scheme are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £247,807 (2018 - £371,475). Contributions totalling £62,803 (2018 - £49,149) were payable to the fund at the balance sheet date.

The Group operates a Defined Benefit Pension Scheme.

The Group previously operated two defined benefit pension schemes, the J Barbour & Sons Limited Works Pensions and Life Assurance Scheme, and the J Barbour & Sons Limited Pension Fund Scheme which were both wound up on 26 July 2018. With effect from 5 October 2017 the assets and liabilities of both Schemes were transferred to the J Barbour & Sons Limited 2015 Pension Scheme (established 27 October 2015) which has assumed liability for paying the benefits accrued in both of the former Schemes.

Both the J Barbour & Sons Limited Works Pensions and Life Assurance Scheme, and the J Barbour & Sons Limited Pension Fund Scheme were closed to new entrants from 31 May 2002. Employed members continue to accrue benefits that are linked to final pensionable salary and service at retirement (or earlier date of leaving) in the J Barbour & Sons Limited 2015 Pension Scheme.

The accompanying disclosures set out below are based on calculations carried out as at 30 April 2019 by a qualified independent actuary on the J Barbour & Sons Limited 2015 Pension Scheme.

The assets of the scheme are held in separate trustee-administered funds to meet long-term pension liabilities to past and present employees. The trustees of the scheme are required to act in the best interest of the scheme's beneficiaries. The appointment of members of the trustee board is determined by the trust documentation.

The liabilities of the defined benefit scheme are measured by discounting the best estimate of future cash flows to be paid out of the scheme using the projected unit method. This amount is reflected in any deficit in the balance sheet. The projected unit method is an accrued benefits valuation method in which the scheme's liabilities make allowance for projected earnings.

The liabilities set out in this note have been calculated based on the data supplied for the triennial valuation of the J Barbour & Sons Limited 2015 Pension Scheme at 30 April 2018 updated to 30 April 2019. The results of the calculations and the assumptions adopted are shown below.

31. Pension commitments (continued)

Reconciliation of present value of plan liabilities:

	2019 £	*2018 £*
Reconciliation of present value of plan liabilities		
At the beginning of the year	**48,356,000**	*61,609,000*
Current service cost	**455,000**	*537,000*
Interest cost	**1,267,000**	*1,550,000*
Actuarial losses	**4,428,000**	*(13,670,000)*
Contributions by scheme participants	**62,000**	*72,000*
Benefits paid	**(1,129,000)**	*(1,742,000)*
Past service cost	**20,000**	*-*
At the end of the year	**53,459,000**	*48,356,000*

Composition of plan assets:

	2019 £	*2018 £*
Equities	**23,818,000**	*22,700,000*
Bonds	**13,889,000**	*13,201,000*
Gilts	**15,151,000**	*14,360,000*
Other	**4,534,000**	*4,971,000*
Total plan assets	**57,392,000**	*55,232,000*

	2019 £	*2018 £*
Fair value of plan assets	**57,392,000**	*55,232,000*
Surplus not recognised	**(3,933,000)**	*(6,876,000)*
Present value of plan liabilities	**(53,459,000)**	*(48,356,000)*
Net pension scheme liability	**-**	*-*

31. Pension commitments (continued)

The amounts recognised in profit or loss are as follows:

	2019 £	2018 £
Current service cost	(455,000)	(537,000)
Interest on obligation	190,000	(179,000)
Past service cost	(20,000)	-
Other costs	(1,000)	(11,000)
Total	(286,000)	(727,000)

Reconciliation of fair value of plan assets were as follows:

	2019 £	2018 £
Opening fair value of scheme assets	55,232,000	54,050,000
Actuarial gains and (losses)	1,232,000	374,000
Interest income	1,457,000	1,371,000
Contributions by employer	539,000	1,118,000
Contributions by scheme participants	62,000	72,000
Expenses	(1,000)	(11,000)
Benefits paid	(1,129,000)	(1,742,000)
	57,392,000	55,232,000

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2019 %	2018 %
Discount rate	2.50	2.65
Future salary increases	2.60	2.35
Future pension increases	3.30	3.20
Inflation assumption	2.60	2.35
- for a male aged 60 now	26.0	26.1
- at 60 for a male aged 40 now	27.1	27.3
- for a female aged 60 now	28.1	28.3
- at 60 for a female member aged 40 now	29.4	29.6

31. Pension commitments (continued)

Contributions

A full actuarial valuation of the merged scheme was performed at 30 April 2018 and following this a revised statement of Funding Principles was agreed by the Trustees on 21 December 2018. Subsequently a revised schedule of contributions for the merged scheme was agreed, which was signed by the actuary on 20 January 2019. The amended rates of contribution relating to members of each of the original schemes are set out below.

J Barbour & Sons Limited Works Pension and Life Assurance Scheme

As at 30 April 2019, contributions are payable to the scheme at the rates set out in the latest schedule of contributions agreed by the actuary on 20 January 2019. The Group makes contributions at a rate of 42.2% of employees' pensionable salaries as at 30 April 2018.

J Barbour & Sons Limited Pension Fund Scheme

As at 30 April 2019, contributions are payable to the scheme at the rates set out in the latest schedule of contributions agreed by the actuary on 20 January 2019. The Group makes contributions at a rate of 52.9% of employees' pensionable salaries as at 30 April 2018.

The Group may pay additional contributions of any amount and at any time from those described above.

In addition to the above rates of contribution, the Group pays the premiums for insured death in service benefits and the expenses of operating the Scheme, including any levies payable to the Pensions Regulator and the Pension Protection Fund.

32. Commitments under operating leases

At 30 April 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Land and buildings				
Not later than 1 year	**6,613,106**	*7,181,919*	**2,979,517**	*3,440,005*
Later than 1 year and not later than 5 years	**18,874,167**	*21,819,220*	**7,035,170**	*8,888,934*
Later than 5 years	**2,410,827**	*4,988,638*	**944,700**	*1,917,079*
	27,898,100	*33,989,777*	**10,959,387**	*14,246,018*

	Group 2019 £	*Group 2018 £*	Company 2019 £	*Company 2018 £*
Motor vehicles				
Not later than 1 year	**95,945**	*280,414*	**56,337**	*223,088*
Later than 1 year and not later than 5 years	**138,578**	*201,091*	**71,956**	*159,490*
	234,523	*481,505*	**128,293**	*382,578*

33. Related party transactions

Advantage has been taken of the exemption granted by Financial Reporting Standard 102 Section 33 "Related Party Disclosures" not to disclose transactions and balances with wholly-owned subsidiaries.

During the period the company made gross sales of £7,125 (2018 - £5,716) to The Barbour Foundation, a charity controlled by shareholders of this company, which owns 10,000 (2018 - 10,000) £1 ordinary shares of the company. These transactions were carried out at cost. At 30 April 2019, the amount due to the company from The Barbour Foundation was £587 (30 April 2018 - £274).

During the period dividends of £nil (2018 - £7,399,041) were paid to directors who are also shareholders in the company and dividends of £nil (2018 - £410,903) were paid to The Barbour Foundation.

Two of the Directors have loan accounts included within other creditors which record transactions personal to them and not the Group. Interest accrues on these loans at a rate of 3.25% per annum.

At 30 April 2019 the directors were due £1,940,193 (2018 - £2,006,765) from the Group.

During the previous period the company made payroll payments on behalf of the Group's defined benefit pension schemes to pensioners totalling £791,656, there were no such payments made during the year ended 30 April 2019. At 30 April 2019 the company was owed £nil (2018 - £nil) by the pension schemes.

Key management personnel

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel. Total remuneration excluding social security contributions in respect of these individuals is £4,217,536 (2018 - £3,678,606).

34. Controlling party

In the opinion of the members, no individual member has outright control of the Group. The Group is controlled by members of the Barbour family.