

Registered number: 237511

Arcadia Group Limited

**Annual report and financial statements
for the year ended 29 August 2015**

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Arcadia Group Limited

Company Information

Directors	Paul Budge Gillian Hague (appointed 25 September 2015) Ian Grabiner Christopher Harris Richard de Dombal (appointed 15 December 2015) Richard Burchill (appointed 15 December 2015)
Company secretary	Adam Goldman
Registered number	237511
Registered office	Colegrave House 70 Berners Street London England W1T 3NL
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Benson House 33 Wellington Street Leeds LS1 4JP

Arcadia Group Limited

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Arcadia Group Limited

Group strategic report for the year ended 29 August 2015

Principal activities

The Group's principal activities are the retailing of clothing and clothing accessories in the United Kingdom and internationally through stores and the internet. The Group trades primarily under the brand names Top Shop, Top Man, Dorothy Perkins, Burtons Menswear, Wallis, Evans, Miss Selfridge and Outfit.

The principal activities of the Company are those of an investment holding company. The Company also provides administrative and logistical services to its subsidiary undertakings.

Business review

The retail industry is currently undergoing a period of major change as customers become ever more selective and value conscious, and advances in technology open up more diverse, fast changing and complex sales channels. This is set against an economic environment of a continued slow recovery from a deep recession.

Market conditions remain challenging and very competitive, with new entrants across all channels. Despite this, there are encouraging signs that the consumer economy is improving, although trading conditions are far from strong and may be difficult to sustain in the longer term. UK unemployment remains low and consumer credit availability continues to rise, however the slow growth in average earnings may impact the spending power of customers.

Our brands and culture

The Group operates 8 brands covering a diverse range of the clothing market. Brief details on each brand are set out below:

Burton – mid-market menswear specialising in formalwear

Dorothy Perkins – mid-market fashion for women

Evans – UK market leader in size 14+ fashionable womenswear

Miss Selfridge – young fashion womenswear brand

Outfit – out-of-town multi-brand fashion retailer, retailing the Group's brands and complementary concessions

Top Man – leading fashion menswear

Top Shop – leading fashion womenswear

Wallis – fashionable womenswear retailer

Each brand has its own intrinsic culture but the Group's overall values can be summarised within 5 key areas:

Customer focus

It is critical to the success of the business to ensure our customers are satisfied, so every aspect of their experience – whether it's online or in any stores worldwide – is reviewed in detail and every effort is made to ensure that customer service is tailored to suit each individual brand.

Commercial flair

Being intuitive and spotting opportunities ahead of the market is essential to sustaining growth. The Group continues to explore exciting ways to develop the business and actively encourages new ideas and innovation.

Strategic focus

To create long-term sustainable shareholder value through building a portfolio of global, multi-channel clothing brands.

An ability to innovate rapidly is important but it is also key to maintain a longer-term view to ensure value can be sustained. The Group looks to the future to spot challenges and opportunities that allow the Group to plan to be in position to adapt to the fast-changing global retail environment.

Arcadia Group Limited

Group strategic report (continued) for the year ended 29 August 2015

Business review (continued)

Energy and drive

The Group has high expectations, based upon having confidence in people who are driven by the passion and determination they have for their work. It's the ambition, energy and drive of its employees which helps underpin the success of the Group.

Our people

People are at the heart all the Group's activities and great effort is made to place employees in the brand that's right for them and their personality. Staff are friendly and sociable but they're also professional, supportive, passionate and knowledgeable.

Store portfolio

The Group trades from 3,034 (2014: 3,091) outlets representing 6.9 million (2014: 6.7 million) square feet of space. The Group continues to review its store portfolio to ensure that it best fits with the fast changing retail industry dynamics, invests in improving existing outlets and opens new retail outlets where appropriate across the world, either wholly owned or through franchise operations. In total £118.1 million (2014: £101.8 million) was invested in capital projects.

Digital

The Group trades 40 brand specific websites and 28 mobile sites, as well as trading on other retailers' sites where there are synergies. The objective is to keep abreast of technological developments to ensure these websites satisfy our digital customers' needs.

Key performance indicators (KPIs)

The Board uses a range of KPIs to monitor the Group's performance and progress towards its strategic objectives. The principal KPIs, which are reviewed at both Group and brand level and as frequently as daily, include like-for-like sales ('LFL sales'), best and least performing stores/lines, margins, mark-downs, cash flow and returns on capital invested in store openings/refits and digital. In 2015 total LFL sales for the Group fell by 0.7% compared to 2014.

Principal risks and uncertainties

It is important to the business that it identifies and manages risks. Key business risks are monitored on an on-going basis by the directors, and strategies are developed as appropriate to mitigate against such risks and minimise their impact. The principal risks and the strategies adopted are set out below:

Economic downturn

The Group is aware that its customers continue to face testing times driven by challenging economic conditions. Our offer to our customers is continuously reviewed to ensure that our product mix, pricing and promotional stance are appropriate to market conditions. Costs are reviewed regularly and are subject to robust approval processes.

Changing market dynamics

The current retail environment is very challenging as competitors seek to attract value-conscious customers using a variety of routes to market. Failure to keep pace with the changing retail environment would adversely impact on the Group's profitability. The Group regularly reviews both its own sales channels and those of its competitors. It has a continuing investment programme in order to be able to respond to customers' changing requirements to interact in different ways. The on-going performance and opportunities presented by all sales channels is monitored closely.

Arcadia Group Limited

Group strategic report (continued) for the year ended 29 August 2015

Principal risks and uncertainties (continued)

Key suppliers and supply chain management

The Group relies on its suppliers to deliver goods on time, to the required quality standards and within a robust ethical framework. Meeting such targets is key to delivering the options and quality that our customers expect, and hence maintaining and enhancing the reputation of our brands. The Group has a robust ethical policy in place for supplier selection and regular inspections are performed to ensure compliance. The Group also analyses its supplier performance in terms of cost, quality and delivery times in order to maintain the efficiency of its supply chain.

Loss of key personnel

The loss of key individuals or the inability to recruit and retain individuals with the relevant talent and experience would disrupt the operation of the business. Competitive incentive arrangements exist, with specific initiatives in place designed to retain key individuals. Recruitment is on-going and talent review and succession planning programmes are in place.

IT systems and business continuity

The Group's operations rely on the availability and integrity of its IT systems in order to trade efficiently. A failure in these systems could have a significant impact on the Group's operations and its reputation. A number of key controls are in place to maintain the integrity and efficiency of the Group's IT systems, including recovery plans which would be implemented in the event of a major failure. The Group's Business Continuity Plan is tested and reviewed on a regular basis. IT security is continually monitored and updated accordingly to ensure data is protected from corruption and unauthorised use.

Treasury and financial risk management

The principal financial risks are the availability of cashflows to meet business requirements, credit risk and fluctuations in interest and foreign exchange rates. The Group operates a centralised Treasury function which is responsible for managing all these risks. The Group has substantial headroom on all financial covenants and stress-tests these on a regular basis.

Results for the year

The Group's consolidated results, set out on page 10, show an operating profit after goodwill amortisation and before exceptional items of £252.1 million (2014: £240.3 million) for the year ended 29 August 2015. Turnover for the year totalled £2,069.3 million (2014: £2,032.9 million). The loss for the financial year (after tax and minority interest) was £94.0 million (2014: a profit of £191.7 million).

On 11 March 2015 the Group's immediate parent company, Taveta Investments (No. 2) Limited, completed the sale of the Bhs sub-group ("Bhs") to Retail Acquisitions Limited for consideration of £1. Arcadia Group Limited incurred charges of £310.9 million following the sale of Bhs, a further breakdown can be found in note 3.

During the year, the Group recognised an exceptional credit of £1.0 million (2014: £3.3 million) in respect of the lease obligations of the Group's loss making stores.

The Group opened 6 new overseas stores (in the USA and Europe) during the year and incurred exceptional pre-opening costs (primarily marketing and PR) of £6.4 million (2014: £nil).

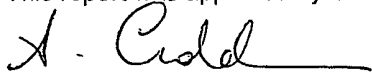
On 31 January 2015, an enhanced transfer value exercise was undertaken by The Arcadia Group Pension Scheme and The Arcadia Group Senior Executives Pension Scheme (see note 28) which resulted in a settlement loss of £6.9 million (2014: nil) recognised as an exceptional charge within administrative expenses in the year. This settlement loss represented the enhanced cost of transferring the members' liabilities under FRS17, together with associated professional fees and payments direct to members.

The Group has net funds of £227.3 million (2014: £198.3 million) and generated cash net inflows of £274.8 million (2014: £320.1 million) through its operating activities.

Arcadia Group Limited

**Group strategic report (continued)
for the year ended 29 August 2015**

This report was approved by the board on 31 May 2016 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A. Goldman', followed by a horizontal line.

Adam Goldman
Secretary
31 May 2016

Arcadia Group Limited

Directors' report for the year ended 29 August 2015

The directors present their Annual report and the audited consolidated financial statements of the Company and the Group for the year ended 29 August 2015.

Matters covered in the strategic report

The principal activities and the business review are both discussed in the strategic report on page 1.

Future outlook

A combination of the Group's portfolio of diverse, market-leading brands, international expansion and the close control of costs, together with a dedicated and enthusiastic workforce, lead the directors to view the Group's future performance with a degree of confidence despite the challenging economic conditions.

The Group will also continue with its goal to produce fashionable products in an ethical way. The 'Fashion Footprint' initiative is in its tenth year and responsible retailing remains a key focus.

Dividends

The directors do not recommend the payment of a dividend in respect of the financial year (2014: £nil).

Charitable donations

During the year, the Group donated £236,000 (2014: £246,000) directly to various UK charitable organisations.

In addition, all of the Group's brands work closely with a selected charity partner to raise funds through corporate and individual employee initiatives. A number of the brands have created exclusive products, which are sold in-store, to generate proceeds for their selected charities.

During the year, the total funds raised through the Group's charitable activities exceeded £0.5 million (2014: £0.6 million).

Directors

The directors who served during the year and up to the date of approval of the financial statements were:

Paul Budge
Ian Grabiner
Lord Grabiner QC (resigned 15 December 2015)
Sir Philip Green (resigned 15 December 2015)
Christopher Harris
Gillian Hague (appointed 25 September 2015)
Richard de Dombal (appointed 15 December 2015)
Richard Burchill (appointed 15 December 2015)

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Arcadia Group Limited

Directors' report for the year ended 29 August 2015

Employees and equal opportunities

All staff are informed about matters concerning their interests as employees and the financial position of the Group through a number of communication channels including face-to-face briefings, an intranet site supplemented by e-mail announcements and a staff magazine.

The Board recognises the importance of a highly motivated and well trained workforce. It encourages employees' involvement in the Group's performance through their participation in a variety of incentive bonus schemes linked to the achievement of operational or financial targets in that part of the business for which they work, and it invests in training programmes aimed at achieving the highest standards of personal development and customer service.

The Group is an equal opportunities employer, recruiting and promoting employees on the basis of their suitability for the job and on no other grounds. Proper consideration is given to employment applications from disabled persons whose aptitude and skills can be utilised within the business and to their training and career progression. Wherever possible, this includes the retraining and retention of staff who become disabled during their employment.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' report and 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 Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Company and 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 transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that 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.

Disclosure of information to auditors

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

- so far as that director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- that 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 auditors are aware of that information.

Arcadia Group Limited

Directors' report for the year ended 29 August 2015

Independent auditors

The Company has passed an elective resolution to dispense with the annual appointment of auditors. PricewaterhouseCoopers LLP will therefore continue as auditors in accordance with and subject to Section 487 of the Companies Act 2006.

Going concern

The directors consider the Company to be a going concern due to the continued profitability of the Group, which also continues to be cash-generative and has further financing facilities available.

Events since the end of the year

Since 25 March 2015, the Group has been in dialogue with The Pensions Regulator ("the Regulator") and this has continued post year-end. The Regulator is using its powers under section 72 of the Pensions Act 2004 to gather information and documentation from the Group in connection with the Bhs pension schemes. The Regulator is investigating whether it needs to use its powers to issue either a financial support direction or a contribution notice. As at the date of approval of these financial statements, the Group and its directors have not received any such direction from the the Regulator.

This report was approved by the board on 31 May 2016 and signed on its behalf by:



Adam Goldman
Company secretary
31 May 2016

Arcadia Group Limited

Independent auditors' report to the members of Arcadia Group Limited

Report on the financial statements

Our opinion

In our opinion, Arcadia Group Limited's Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 29 August 2015 and of the Group's loss and cash flows 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.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the consolidated and company balance sheets as at 29 August 2015;
- the consolidated profit and loss account and the consolidated statement of total recognised gains and losses for the year then ended;
- the consolidated cash flow statement and reconciliation of net cash flow to movement in net funds for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Arcadia Group Limited

Independent auditors' report to the members of Arcadia Group Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Directors' responsibilities statement set out on page 5, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Group's and the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Steve Denison (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
31 May 2016

Arcadia Group Limited

Consolidated profit and loss account for the year ended 29 August 2015

	Note	Before exceptional items £000	Exceptional items (note 3) £000	2015 Total £000	Before exceptional items £000	Exceptional items (note 3) £000	2014 Total £000
Turnover	2	2,069,267	-	2,069,267	2,032,940	-	2,032,940
Cost of sales		(1,766,335)	(5,398)	(1,771,733)	(1,745,011)	(3,293)	(1,748,304)
Gross profit		302,932	(5,398)	297,534	287,929	(3,293)	284,636
Distribution costs		(47,498)	-	(47,498)	(57,409)	-	(57,409)
Administrative expenses		(35,258)	(6,891)	(42,149)	(46,250)	-	(46,250)
Other operating income	4	32,888	-	32,888	57,098	-	57,098
Group operating profit before goodwill amortisation		253,064	(12,289)	240,775	241,368	(3,293)	238,075
Goodwill amortisation	11	(995)	-	(995)	(1,066)	-	(1,066)
Group operating profit		252,069	(12,289)	239,780	240,302	(3,293)	237,009
Net interest receivable and similar income	9	56,417	-	56,417	38,321	-	38,321
Other finance income/(expense)	28	2,589	-	2,589	(132)	-	(132)
Write off on disposal of Bhs	3	-	(310,875)	(310,875)	-	-	-
(Loss)/profit on ordinary activities before tax		311,075	(323,164)	(12,089)	278,491	(3,293)	275,198
Tax on (loss)/profit on ordinary activities	10	(63,443)		(63,443)	(64,284)		(64,284)
(Loss)/profit for the financial year before minority interest		247,632	(323,164)	(75,532)	214,207	(3,293)	210,914
Profit attributable to minority interests		(18,453)		(18,453)	(19,183)		(19,183)
(Loss)/profit for the financial year	23	229,179	(323,164)	(93,985)	195,024	(3,293)	191,731

All amounts relate to continuing operations.

There is no difference between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial years stated above and their historic cost equivalents.

Arcadia Group Limited

Consolidated statement of total recognised gains and losses for the year ended 29 August 2015

	Note	2015 £000	2014 £000
(Loss)/profit for the financial year		(93,985)	191,731
Exchange gain/(loss) on overseas subsidiaries	24	87	(121)
Actuarial (loss)/gain on pension schemes	28	(96,780)	11,645
Movement on deferred tax relating to net pension liability	20	19,967	(2,743)
Movement on investment property revaluation reserve	24	-	12,000
Movement on revaluation reserve attributable to minority interest	24	-	(5,640)
Total recognised gains and losses relating to the financial year		(170,711)	206,872

Arcadia Group Limited
Registered number: 237511

Consolidated balance sheet
as at 29 August 2015

	Note	£000	2015 £000	£000	2014 £000
Fixed assets					
Intangible assets	11		286		1,281
Tangible assets	12		665,702		596,048
Investment property	13		24,500		24,500
Investments	14		2,326,639		2,554,544
			<u>3,017,127</u>		<u>3,176,373</u>
Current assets					
Stocks	15	134,334		137,355	
Debtors	16	116,443		107,355	
Cash at bank and in hand		229,016		199,995	
		<u>479,793</u>		<u>444,705</u>	
Creditors: amounts falling due within one year	17	(504,073)		(491,343)	
Net current liabilities			<u>(24,280)</u>		<u>(46,638)</u>
Total assets less current liabilities			<u>2,992,847</u>		<u>3,129,735</u>
Creditors: amounts falling due after more than one year	18		(78,788)		(100,314)
Provisions for liabilities					
Other provisions	21		(60,309)		(75,340)
Net assets excluding pension liabilities			<u>2,853,750</u>		<u>2,954,081</u>
Pension liability	28		(151,960)		(100,033)
Net assets including pension liabilities			<u><u>2,701,790</u></u>		<u><u>2,854,048</u></u>
Capital and reserves					
Called up share capital	22		168,163		168,163
Share premium account	23		393,676		393,676
Capital redemption reserve	23		223,431		223,431
Revaluation reserve	23		6,482		6,482
Profit and loss account	23		1,830,609		2,001,320
Total shareholders' funds	24		<u>2,622,361</u>		<u>2,793,072</u>
Minority interests	14		<u>79,429</u>		<u>60,976</u>
			<u><u>2,701,790</u></u>		<u><u>2,854,048</u></u>

Arcadia Group Limited

Consolidated balance sheet (continued) as at 29 August 2015

The financial statements were approved by the board and were signed on its behalf on 31 May 2016.

A handwritten signature in black ink, appearing to read 'P. Budge', with a stylized flourish at the end.

Paul Budge
Director

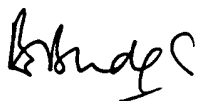
The notes on pages 16 to 46 form part of these financial statements.

Arcadia Group Limited
Registered number: 237511

Company balance sheet
as at 29 August 2015

	Note	£000	2015 £000	£000	2014 £000
Fixed assets					
Tangible assets	12		39,716		42,831
Investments	14		3,942,424		4,027,083
			<u>3,982,140</u>		<u>4,069,914</u>
Current assets					
Stocks	15	833		566	
Debtors	16	547,582		565,885	
Cash at bank and in hand		4,691		27,869	
		<u>553,106</u>		<u>594,320</u>	
Creditors: amounts falling due within one year	17	(136,702)		(122,256)	
Net current assets			<u>416,404</u>		<u>472,064</u>
Total assets less current liabilities			<u>4,398,544</u>		<u>4,541,978</u>
Creditors: amounts falling due after more than one year	18		(989,716)		(878,250)
Net assets			<u><u>3,408,828</u></u>		<u><u>3,663,728</u></u>
Capital and reserves					
Called up share capital	22		168,163		168,163
Share premium account	23		393,676		393,676
Capital redemption reserve	23		223,431		223,431
Profit and loss account	23		2,623,558		2,878,458
Total shareholders' funds	24		<u><u>3,408,828</u></u>		<u><u>3,663,728</u></u>

The financial statements were approved by the board and were signed on its behalf on 31 May 2016.



Paul Budge
Director

The notes on pages 16 to 46 form part of these financial statements.

Arcadia Group Limited

Consolidated cash flow statement for the year ended 29 August 2015

	Note	2015 £000	2014 £000
Net cash inflow from operating activities	30	274,797	320,123
Net cash (outflow)/inflow from returns on investments and servicing of finance	31	(334)	734
Taxation paid		(36,029)	(40,536)
Net cash outflow from capital expenditure and financial investment	31	(156,413)	(167,267)
Net cash outflow from acquisitions and disposals	31	(53,000)	-
Increase in net cash in the year		29,021	113,054

Reconciliation of net cash flow to movement in net funds for the year ended 29 August 2015

	2015 £000	2014 £000
Increase in net cash in the year	29,021	113,054
Change in net funds resulting from cash flows	29,021	113,054
Repayment of finance lease	-	109
Movement in net funds in the year	29,021	113,163
Net funds at 31 August 2014	198,295	85,132
Net funds at 29 August 2015	227,316	198,295

The notes on pages 16 to 46 form part of these financial statements.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention (other than the revaluation of investment properties) and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been consistently applied, is set out below.

1.2 Going concern

The Directors consider the Company to be a going concern due to the continued profitability of the underlying group.

1.3 Basis of consolidation

The Group financial statements include the Company and all its subsidiaries. Each subsidiary has adopted the Group's accounting policies.

The financial statements of all subsidiary undertakings are consolidated from the date of their acquisition to the date of their sale using the acquisition method of accounting.

All material intercompany transactions, balances and unrealised profits and losses on transactions between Group companies have been eliminated on consolidation.

The Group's share of its joint ventures' results is included in the consolidated profit and loss account. The Group's share of its joint venture's net assets/liabilities is included in the consolidated balance sheet using the gross equity accounting method.

Minority interests represent the amount of capital and reserves attributable to shares in subsidiary undertakings not held by the Group.

The Company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own profit and loss account.

The loss for the financial year incurred by the Company for the year ended 29 August 2015 was £254,900,000 (2014: a profit of £2,478,467,000).

1.4 Turnover

Turnover comprises the value of sales of all merchandise to third parties (net of returns), including concession income, and excludes value added tax. Sales to franchisees and internet customers are recognised on despatch of the goods, and in the case of internet business includes charges levied on customers for postage and packaging.

Commissions and related income from the operation of the Group's store card business are recognised in the same period as the underlying sales transaction.

The Group has recognised income on the services provided to the Bhs group for the period following its sale.

1.5 Other operating income

Upfront cash contributions towards the Group's store card business have been deferred and are being released to the profit and loss account over the term of the related contract.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

1. Accounting policies (continued)

1.6 Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

1.7 Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold and long leasehold buildings (over 50 years)	-	depreciated to their estimated residual value over their estimated useful economic life
Short leasehold land and buildings	-	life of lease
Fit out	-	15 years
Motor vehicles	-	25% per annum on a reducing balance basis
Retail fixtures and fittings	-	3 to 10 years
Office equipment	-	10 years
Computer equipment	-	2 to 4 years

Of the categories set out above freehold, long and short leasehold fall under land and buildings, all other categories relate to fit out, fixtures and equipment in note 12.

1.8 Impairment of tangible assets and goodwill

Tangible assets and goodwill are attributed to individual brands and are reviewed where there is an indication that their carrying value may have been impaired. The recoverability of each brand's fixed assets and goodwill is determined by reference to the higher of their net realisable value and value in use. In this latter regard, value in use is assessed by reviewing the brand's cash flows over the expected useful economic life of the related tangible assets and goodwill. These cash flows are discounted using a rate of return appropriate to the specific business.

Where the carrying value of tangible assets and goodwill exceeds their recoverable amount, impairment has occurred and their carrying value is written down accordingly. If subsequent reviews indicate that the assets are no longer impaired, the related provision is reversed.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

1. Accounting policies (continued)

1.9 Pension costs

Group

The Group operates a number of defined benefit schemes to provide pension and other benefits expressed in terms of a percentage of pensionable salary. The amounts charged to operating profit, as part of employee costs, are the current service costs and gains and losses on settlements and curtailments. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance income or costs.

Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the schemes' liabilities. Actuarial valuations are obtained triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of related deferred taxation, is presented separately after other net assets on the face of the balance sheet.

The assets of the schemes are held separately from those of the Group in independently administered funds.

The Group also operates a number of defined contribution schemes for eligible staff. For these schemes, the amounts charged to the profit and loss account are the contributions payable during the period.

Company

The company's employees participate in two defined benefit schemes operated by the group to which the company contributes in order to provide pension and other benefits expressed in terms of a percentage of pensionable salary. Although these pension schemes are defined benefit in nature the Company accounts for its contributions as though they were defined contribution schemes as the Company is unable to identify its share of the underlying assets and liabilities.

The above schemes are now closed and eligible employees are offered the opportunity to join the group's defined contribution scheme. For this scheme, the amounts charge to the profit and loss account are the contributions payable during the year.

1.10 Taxation

Corporation tax payable is provided on taxable profits at the prevailing rate during the year.

Deferred taxation is provided on all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying tax differences can be deducted. Deferred tax assets and liabilities are not discounted.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

1. Accounting policies (continued)

1.11 Leased assets

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term, except where incentives to sign the leases have been received. Such incentives are spread on a straight-line basis over the lease term, or if shorter, the period to the next open market rent review date.

Where the Group has leasehold stores that are loss-making, and projections indicate that their future cash flows will be insufficient to meet the related property costs, provision is made for the expected net cash outflows. These cash flows are discounted using a rate of return of 8% (2014: 8%).

Where the Group is committed to disposing of a leasehold property, provision is made for the expected direct costs of disposal, together with any net cash outflows under the lease during the period prior to disposal. The Group also provides for the unavoidable costs of vacant properties and, where properties are sub-let, any shortfall between the rents payable to its landlords and those recovered under tenancy agreements. These provisions are not discounted, on the grounds of materiality, and unwind upon the earlier of lease expiry and disposal.

1.12 Stock valuation

Stocks are stated at the lower of cost and net realisable value and represent goods for resale. Cost represents actual purchase price and includes the direct costs of warehousing and transportation to the stores and is calculated on an average basis. Provision is made where necessary for obsolete, slow moving and defective stocks.

1.13 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Profits and losses of overseas subsidiaries which have currencies of operation other than sterling are translated into sterling at the average rates of exchange for the period. Monetary assets and liabilities recorded in foreign currencies are translated either at the rates ruling at the balance sheet date or the rates fixed by forward contracts. Exchange differences arising from the re-translation of the opening net assets of overseas subsidiaries are taken to reserves. Other exchange differences are dealt with in the profit and loss account.

1.14 Treasury instruments

Gains and losses on hedges of payments or receipts are deferred and only recognised as they crystallise. Gains and losses on forward currency contracts entered into as hedges of future purchases denominated in foreign currency are carried forward and are recognised as part of the purchase cost on maturity.

1.15 Finance costs

Costs associated with the issue of bank and other borrowings are deferred and are charged to the profit and loss account over the term of the respective loan at a constant rate to the loan's carrying value. The carrying value of bank borrowings and subordinated loan notes in the balance sheet are stated net of unamortised issue costs.

1.16 Investments

The Company's fixed asset investments are shown at cost less amounts impaired. Provision is made, where in the opinion of the directors, there has been an impairment in the investments' carrying value.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

1. Accounting policies (continued)

1.17 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the Company and the Group.

1.18 Provisions

In accordance with FRS 12, 'Provisions, Contingencies and Commitments,' the Group provides in full for liabilities when it has a legal or constructive obligation arising from a past event.

1.19 Debtors

Trade debtors are recognised and measured at their original invoiced amount less any provision for any uncollectible amounts. An estimate for doubtful debts is made when the collection of the full amount is no longer probable. Bad debts are written off to the profit and loss account when they are identified.

2. Turnover

Turnover is predominantly attributable to the Group's principal activities and apart from £437,864,000 (2014: £373,616,000) arises in the United Kingdom. The Group's principal overseas markets are the Republic of Ireland and the United States of America. In the opinion of the directors, the disclosure of segmental information relating to the business categories of net assets and geographical destination of results would be seriously prejudicial to the interests of the Group and has not therefore been provided.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

3. Exceptional items

	2015 £000	2014 £000
Movement in provision for onerous leases on loss-making stores	(1,012)	3,293
Overseas pre-opening costs	6,410	-
ETV settlement loss (note 28)	6,891	-
Loss on disposal of Bhs	310,875	-
	<u>323,164</u>	<u>3,293</u>

As in the prior year, the Group has reviewed those leasehold stores currently making a loss to assess whether their future operating cash flows are projected to meet their rental and other property cost obligations. Where appropriate, the projected shortfall between the operating cash flows and the property costs for the period of the lease or, if earlier, to the date of disposal, has been provided for. The figure above reflects a decrease in the provision which was recognised in prior years of £1,704,000, and also an increase in the provision for new loss-making stores of £692,000. The resultant provision has been discounted to net present value at a rate of 8% (2014: 8%).

The Group opened 6 new overseas stores (in the USA and Europe) during the year and incurred pre-opening costs of £6,410,000 (2014: £nil).

The exceptional charges relating to onerous leases and overseas pre-opening costs are both recognised within exceptional costs of sales in the profit and loss account. The tax credit arising on these two items is £1,112,000 (2014: £731,000).

On 31 January 2015, an enhanced transfer value exercise was undertaken by The Arcadia Group Pension Scheme and The Arcadia Group Senior Executives Pension Scheme (see note 28) which resulted in a settlement loss of £6,891,000 (2014: nil) recognised as an exceptional charge within administrative expenses in the year. This settlement loss represents the enhanced cost of transferring the members' liabilities under FRS17, together with associated professional fees. Enhanced transfer value exercises are commonplace, and involve a sponsoring employer offering members the opportunity to transfer their benefits out to another scheme, at an 'enhanced' value.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

3. Exceptional items (continued)

On 11 March 2015 the Group's immediate parent company, Taveta Investments (No. 2) Limited, completed the sale of the Bhs sub-group ("Bhs") to Retail Acquisitions Limited for consideration of £1. Arcadia Group Limited incurred charges of £310,875,000 following the sale of Bhs as shown in the table below:

Bhs disposal impact

	£000
Waiver of amounts due from Bhs to Arcadia Group Limited	216,751
Provisions relating to BHS disposal	58,500
Cash transferred to Bhs by the Group on disposal	23,660
Additional cash transferred to Bhs after sale	6,500
Impairment of system development assets previously utilised by Bhs	3,124
Cash costs of disposal	2,340
Total	<u>310,875</u>

4. Other operating income

	2015 £000	2014 £000
Other operating income	<u>32,888</u>	<u>57,098</u>

Other operating income includes £26,890,000 (2014: £51,501,000) relating to a shared service charge levied on Bhs Limited, a fellow subsidiary undertaking up to 11 March 2015. This charge related to costs recharged from Arcadia Group Limited for shared services such as logistics, finance, IT, HR, Tax and Treasury. The shared service charge is calculated at actual cost incurred by Arcadia Group Limited with no profit mark up.

The remainder is from the operation of the Group's store cards.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

5. Operating profit

Operating profit before exceptional items is stated after charging/(crediting):

	2015 £000	2014 £000
Amortisation of goodwill	995	1,066
Depreciation of tangible assets:		
- owned assets	75,723	77,208
Operating lease rentals:		
- plant and machinery	1,699	739
Profit on disposal of fixed assets	(3,834)	(403)
Property rentals paid	203,189	208,248
Property rentals received	(11,658)	(9,450)
	<u>75,723</u>	<u>77,208</u>

6. Auditors' remuneration

	2015 £000	2014 £000
Fees payable to the Company's auditors for the statutory Group audit (including Company of £20,000 (2014: £20,000))	115	115
Fees payable to the Company's auditors in respect of:		
Statutory audit of subsidiaries and associates	240	240
Other tax services	363	532
Pension advisory services	1,151	1,624
All other non-audit assurance services not included above	284	704
	<u>2,153</u>	<u>3,215</u>

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

7. Staff costs

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	358,055	354,674
Social security costs	24,445	24,315
Other pension costs	10,152	10,991
	<u>392,652</u>	<u>389,980</u>

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

	2015 No.	2014 No.
Retail	24,374	26,582
Head office	2,832	2,629
	<u>27,206</u>	<u>29,211</u>

The average monthly number of employees above includes 19,133 (2014: 20,698) part-time employees. The equivalent average number of full-time employees was 12,856 (2014: 13,688).

8. Directors' remuneration

	2015 £000	2014 £000
Remuneration	<u>5,271</u>	<u>4,365</u>

During the year retirement benefits were accruing to 3 directors (2014: 3) in respect of defined benefit pension schemes.

The highest paid director received remuneration of £1,955,000 (2014: £1,547,000).

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

9. Net interest receivable and similar income

Interest payable and similar charges

	2015 £000	2014 £000
Payable on bank loans and overdrafts	482	376
Payable on finance leases	-	2
Other interest payable	1,136	-
Unwind of discount rate on provisions	5,616	3,437
	<u>7,234</u>	<u>3,815</u>

Interest receivable and similar income

On loans to parent company	(62,367)	(41,024)
Other deposits	-	(7)
Bank deposits	(1,284)	(1,105)
	<u>(63,651)</u>	<u>(42,136)</u>

During the year the Company accrued interest of £62,367,000 (2014: £41,024,000) on loans made available to Taveta Investments Limited and Taveta Investments (No. 2) Limited, the Company's ultimate parent company and immediate parent company respectively. Loans are unsecured, repayable on demand and accrue interest at a rate attached to LIBOR.

Net interest receivable and similar income	<u>(56,417)</u>	<u>(38,321)</u>
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The other interest payable represents a one-off settlement relating to a tax dispute with the Kuwaiti tax authorities.

10. Tax on (loss)/profit on ordinary activities

	2015 £000	2014 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on (loss)/profit for the year	59,903	62,940
Adjustments in respect of prior periods	(3,128)	6,937
	<u>56,775</u>	<u>69,877</u>
Overseas taxation charge/(credit)	403	(1,026)
Total current tax	<u>57,178</u>	<u>68,851</u>
Deferred tax (see note 20)		
Origination and reversal of timing differences	6,265	(4,567)
Tax on (loss)/profit on ordinary activities	<u>63,443</u>	<u>64,284</u>

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

10. Tax on (loss)/profit on ordinary activities (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014: higher than) the standard rate of corporation tax in the UK of 20.6% (2014: 22.2%). The differences are explained below:

	2015 £000	2014 £000
(Loss)/profit on ordinary activities before tax	<u>(12,089)</u>	<u>275,197</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.6% (2014: 22.2%)	(2,490)	61,094
Effects of:		
Expenses not deductible for tax purposes	67,895	2,849
Depreciation in excess of capital allowances	159	2,417
Adjustments to tax charge in respect of prior periods	(2,749)	5,887
Other short term timing differences	(5,704)	(3,592)
Adjustment in respect of foreign tax rates	67	196
Current tax charge for the year (see note above)	<u><u>57,178</u></u>	<u><u>68,851</u></u>

The expenses not deductible above primarily relates to the write-offs on disposal of Bhs as outlined in note 3.

Factors that may affect future tax charges

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015.

As the change to 17% had not been substantively enacted at the balance sheet date its effects are not included in these financial statements. The overall effect of that change, if it had applied to the deferred tax balance at the balance sheet date, would be to reduce the deferred tax asset by an additional £7,049,000 and increase the tax expense for the period by £7,049,000.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

11. Intangible assets

Group	Goodwill £000
Cost	
At 31 August 2014 and 29 August 2015	13,704
Accumulated amortisation	
At 31 August 2014	12,423
Charge for the year	995
At 29 August 2015	13,418
Net book value	
At 29 August 2015	286
At 30 August 2014	1,281

Goodwill is amortised over the period during which the value of the underlying business acquired is expected to exceed the value of the underlying net assets. This period is assessed for each acquisition on its individual merit and ranges between 2 and 20 years.

The Company has no intangible assets.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

12. Tangible assets

Group	Land and buildings £000	Fit out, fixtures and equipment £000	Total £000
Cost			
At 31 August 2014	478,458	538,173	1,016,631
Additions	88,008	62,286	150,294
Disposals	(52,794)	(19,150)	(71,944)
At 29 August 2015	513,672	581,309	1,094,981
Accumulated depreciation			
At 31 August 2014	55,957	364,626	420,583
Charge for the year	19,704	56,019	75,723
Disposals	(50,510)	(16,517)	(67,027)
At 29 August 2015	25,151	404,128	429,279
Net book value			
At 29 August 2015	488,521	177,181	665,702
At 30 August 2014	422,501	173,547	596,048

Analysis of net book value of land and buildings

	2015 £000	2014 £000
Freehold	103,180	52,352
Long leasehold	214,434	212,036
Short leasehold	170,907	158,113
	488,521	422,501

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

12. Tangible assets (continued)

Company	Short term leasehold property £000	Fixtures and fittings £000	Total £000
Cost			
At 31 August 2014	2,839	131,671	134,510
Additions	60	11,527	11,587
Disposals	(3)	(5,155)	(5,158)
At 29 August 2015	<u>2,896</u>	<u>138,043</u>	<u>140,939</u>
Accumulated depreciation			
At 31 August 2014	85	91,594	91,679
Charge for the year	9	12,496	12,505
Disposals	(3)	(2,958)	(2,961)
At 29 August 2015	<u>91</u>	<u>101,132</u>	<u>101,223</u>
Net book value			
At 29 August 2015	<u>2,805</u>	<u>36,911</u>	<u>39,716</u>
At 30 August 2014	<u>2,754</u>	<u>40,077</u>	<u>42,831</u>

13. Investment property

Group	Long term leasehold investment property £000
Valuation	
At 31 August 2014 and 29 August 2015	<u>24,500</u>
Comprising	
Cost	12,378
Revaluation surplus brought forward	12,122
At 29 August 2015	<u>24,500</u>

The Group's investment property is 7-15 Gresse Street & 12-13 Rathbone Place, London W1.

The valuation was made by CB Richard Ellis Limited, Chartered Surveyors, on an open market value for existing use basis.

Revaluation reserve	£000
At 31 August 2014 and 29 August 2015	<u>6,482</u>
The Company has no investment properties.	

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

14. Investments

		Loans to Taveta Investments Limited Group undertakings £000	
Group			
Cost and net book value			
At 31 August 2014		2,554,544	
Additions		78,418	
Disposal of Bhs		(306,323)	
At 29 August 2015		2,326,639	
Net book value			
At 29 August 2015		2,326,639	
At 30 August 2014		2,554,544	

Company	Ordinary shares in subsidiary undertaking £000	Loans to Taveta Investments Limited Group undertakings £000	Total £000
Cost and net book value			
At 31 August 2014	1,595,986	2,870,124	4,466,110
Additions	150,805	70,859	221,664
Disposal of Bhs	-	(306,323)	(306,323)
At 29 August 2015	1,746,791	2,634,660	4,381,451
Impairment			
At 31 August 2014 and 29 August 2015	292,741	146,286	439,027
Net book value			
At 29 August 2015	1,454,050	2,488,374	3,942,424
At 30 August 2014	1,303,245	2,723,838	4,027,083

The disposal figures above represent the gross debtor balances due from the Bhs Group as at the date of sale. The net amount owed from the Bhs Group (after the consideration of creditor balances) is disclosed in note 3.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

14. Investments (continued)

Details of the Group undertakings can be found in note 36.

The minority interest disclosed in the balance sheet represents the external shareholding in Gresse Street Limited and Top Shop/Top Man (Holdings) Limited as follows:

	2015 £000	2014 £000
Gresse Street Limited (47%)	10,640	10,640
Top Shop/Top Man (Holdings) Limited (25%)	68,789	50,336
	79,429	60,976

The directors believe that the carrying value of all investments is supported by their underlying net assets.

15. Stocks

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Goods for resale	134,334	137,355	833	566

16. Debtors

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Due after more than one year				
Vendor loan note	-	-	500,000	525,000
Due within one year				
Trade debtors	56,468	51,235	108	1,894
Vendor loan note	-	-	25,000	25,000
Other debtors	7,324	1,736	6,556	-
Prepayments and accrued income	43,307	45,661	8,825	6,896
Deferred tax asset (see note 20)	9,344	8,723	7,093	7,095
	116,443	107,355	547,582	565,885

Vendor loan note

Prior to the sale of a 25% equity interest in Top Shop/Top Man (Holdings) Limited to Leonard Green & Partners, the Company entered into a loan agreement with Top Shop/Top Man Limited to the value of £600 million. A capital repayment of £25 million and interest at 5% is paid per annum.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

17. Creditors: amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank loans and overdrafts	-	-	15,180	3,305
Property mortgages	1,700	-	-	-
Trade creditors	204,975	195,217	23,195	29,944
Corporation tax payable	47,389	35,773	33,442	18,842
Other taxation and social security	25,881	33,169	865	2,073
Other creditors	92,569	66,783	23,556	16,050
Accruals and deferred income	131,559	160,401	40,464	52,042
	504,073	491,343	136,702	122,256

18. Creditors: amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Property mortgages	-	1,700	-	-
Amounts owed to Taveta Investments Limited Group undertakings	-	30,949	970,592	865,872
Other creditors	19,124	10,587	19,124	10,587
Accruals and deferred income	59,664	57,078	-	1,791
	78,788	100,314	989,716	878,250

Amounts owed to Taveta Investments Limited Group undertakings are unsecured, interest free and repayable on demand.

19. Property mortgages

Group

	2015	2014
	£000	£000
Maturity of debt		
Under one year	1,700	-
Between one and two years	-	1,700
	1,700	1,700

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

20. Deferred tax asset

The provision for deferred tax (excluding the amount relating to the pension deficit) is as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
At 31 August 2014	8,723	308	7,095	3,889
Profit and loss account	621	8,415	(2)	3,206
At 29 August 2015	9,344	8,723	7,093	7,095

The deferred tax asset is made up as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Capital allowances	4,016	4,048	7,093	4,112
Other timing differences	5,328	4,675	-	2,983
	9,344	8,723	7,093	7,095

The deferred tax asset relating to the pension deficit is as follows:

	Group	
	2015	2014
	£000	£000
At 31 August 2014	24,568	31,160
Deferred tax charge in the profit and loss account	(6,889)	(3,849)
Deferred tax charge in the statement of total recognised gains and losses	19,967	(2,743)
At 29 August 2015	37,646	24,568

The movements on the deferred tax asset including those relating to the pension deficit are as follows:

	Group	
	2015	2014
	£000	£000
At 31 August 2014	33,291	31,467
Deferred tax (charge)/credit in the profit and loss account	(6,265)	4,567
Deferred tax credit/(charge) in the statement of total recognised gains and losses	19,967	(2,743)
At 29 August 2015	46,993	33,291

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

20. Deferred tax (continued)

The unprovided deferred tax amounts at the year end are as follows:

	Group	
	2015	2014
	£000	£000
Trading losses	8,967	9,197
Capital losses	20,899	21,389
	29,866	30,586

The Company has an unrecognised deferred tax asset of £4,180,000 (2014: £5,116,000) relating to unrelieved capital losses. As there is no current expectation of future disposals, and therefore possible capital gains against which losses may be offset, the directors do not consider it more likely than not that this asset will be recovered.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods when timing differences reverse, based on tax rates at the balance sheet date. The Group has not recognised a potential deferred tax asset in respect of agreed capital losses of £20,899,000 (2014: £21,389,000) as there is insufficient evidence that the subsidiaries concerned will generate enough taxable capital profits to utilise the available losses. The unprovided trading losses were acquired primarily with the purchases of Matte plc and in respect of the Group's Irish business.

21. Other provisions

Group	Onerous leases £000	Joint venture £000	Total £000
At 31 August 2014	74,085	1,255	75,340
Profit and loss account	(270)	353	83
Utilised during the year	(20,730)	-	(20,730)
Discount unwind	5,616	-	5,616
At 29 August 2015	58,701	1,608	60,309

Onerous leases

The element of the onerous lease provision relating to loss-making stores is £54,671,000 (2014: £70,336,000) and is discounted at a rate of return of 8% (2014: 8%). A decrease in the discount rate of 1% would result in an increase in the provision of £2,535,000 (2014: £3,108,000). Provision has been made for the remaining period of the leases, which on average is 6.4 years (2014: 5.3 years).

Joint venture

The Group owns 50% of the issued ordinary share capital of Muse Retail Limited ('Muse'). Muse is engaged in the retailing of fashion accessories and operates in the United Kingdom. As Muse had net liabilities at 29 August 2015 the Group has provided for its share of the deficiency.

The Group owns 37.5% of the issued ordinary share capital of Parkwood Topshop Athletic Limited ('Parkwood'). Parkwood is engaged in the retailing of athletic wear. As Parkwood had net liabilities at 29 August 2015 the Group has provided for its share of the deficiency.

The Company has no provisions (2014: £nil).

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

22. Called up share capital

	2015 £000	2014 £000
Group and Company		
Allotted, called up and fully paid		
210,204,000 (2014: 210,204,000) ordinary shares of £0.80 each	168,163	168,163

23. Reserves

	Share premium account £000	Capital redemption reserve £000	Investment property revaluation reserve £000	Profit and loss account £000
Group				
At 31 August 2014	393,676	223,431	6,482	2,001,320
Loss for the financial year	-	-	-	(93,985)
Pension reserve movement	-	-	-	(76,813)
Exchange gain on overseas subsidiaries	-	-	-	87
At 29 August 2015	393,676	223,431	6,482	1,830,609

	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000
Company			
At 31 August 2014	393,676	223,431	2,878,458
Loss for the financial year	-	-	(254,900)
At 29 August 2015	393,676	223,431	2,623,558

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

24. Reconciliation of movements in shareholders' funds

	2015 £000	2014 £000
Group		
Opening shareholders' funds	2,793,072	2,586,200
(Loss)/profit for the financial year	(93,985)	191,731
Actuarial (loss)/gain on pension schemes	(96,780)	11,645
Movement on deferred tax relating to pensions	19,967	(2,743)
Exchange gain/(loss) on overseas subsidiaries	87	(121)
Movement on investment property revaluation (note 13)	-	12,000
Movement on investment property attributable to minority interest (note 13)	-	(5,640)
Closing shareholders' funds	<u>2,622,361</u>	<u>2,793,072</u>
	2015 £000	2014 £000
Company		
Opening shareholders' funds	3,663,728	1,185,261
(Loss)/profit for the financial year	(254,900)	2,478,467
Closing shareholders' funds	<u>3,408,828</u>	<u>3,663,728</u>

25. Acquisitions

During the year Arcadia Group Limited, a subsidiary of the Company, purchased the share capital of Wilton Equity Limited (which had the same ultimate controlling party as Taveta Investments Limited). Wilton Equity Limited owns a property (Marylebone House, 129/137 Marylebone Road, London). The sale was conducted on an arm's length basis following advice received from a third party valuer for £53,000,000.

	Vendors' book value £000	Fair value adjustments £000	Fair value to the Group £000
Assets and liabilities acquired			
Tangible assets	<u>37,500</u>	<u>15,500</u>	<u>53,000</u>
Satisfied by			
Consideration:			
Cash			<u>53,000</u>
Goodwill arising on acquisition			<u>-</u>

The fair value adjustment is required to increase the book value of the property to its market value.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

26. Capital commitments

At 29 August 2015 the Group and Company had capital commitments as follows:

	Group		Company	
	29 August 2015 £000	30 August 2014 £000	29 August 2015 £000	30 August 2014 £000
Contracted for but not provided in these financial statements	34,742	37,683	29,379	16,576

27. Operating lease commitments

At 29 August 2015 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
Group	2015 £000	2014 £000	2015 £000	2014 £000
Expiry date:				
Within 1 year	28,117	36,682	652	621
Between 2 and 5 years	68,027	65,954	1,430	1,191
After more than 5 years	118,447	114,610	-	-

At 29 August 2015 the Company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
Company	2015 £000	2014 £000	2015 £000	2014 £000
Expiry date:				
Within 1 year	-	306	652	621
Between 2 and 5 years	1,213	-	1,430	1,191
After more than 5 years	2,224	490	-	-

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

28. Pension schemes

Arcadia Group Limited operates four funded defined benefit schemes, for the benefit of eligible current and former employees. All of these schemes provide retirement benefits based on members' final salary and are closed to new entrants and future accruals. Their assets are held in separate trustee administered funds.

One of the schemes has been closed for a number of years and now only provides benefits for deferred and pensioner members. Of the other schemes, two provide benefits for different categories of United Kingdom employees, the Arcadia Group Pension Scheme ('AGPS') and the Arcadia Group Senior Executives Pension Scheme ('AGSEPS'). Hereafter, these 2 schemes are referred to as the 'UK Schemes'. The final scheme caters specifically for employees based in Ireland.

All above employees, and those qualifying employees who weren't previously eligible for membership of the above schemes, are able to join the defined contribution scheme.

The Group also operates a hybrid pension scheme, which has both a defined benefit and a defined contribution section, for the benefit of the former employees of Matte plc. There are no active members of the defined benefit section of this scheme and the liability in this regard is not material for the purposes of disclosure under FRS 17.

On 31 January 2015, an enhanced transfer value exercise ("ETV") was undertaken for the UK Schemes which resulted in a settlement loss of £6,891,000 (2014: £nil) recognised as an exceptional charge within administrative expenses in the year. This represents the enhanced cost of selling the members' liabilities under FRS17, together with associated professional fees.

The amount charged to the profit and loss account in respect of the Group's defined benefit schemes is analysed below:

	UK Schemes £000	Other Schemes £000	2015 £000	2014 £000
Pension administration costs	(1,610)	-	(1,610)	(1,911)
ETV settlement loss	(6,891)	-	(6,891)	-
Total operating charge	(8,501)	-	(8,501)	(1,911)

The pension administration costs are included within administrative expenses.

The ETV settlement loss is included as an exceptional cost within administrative expenses.

The other finance income/(expense) is analysed below:

	UK Schemes £000	Other Schemes £000	2015 £000	2014 £000
Expected return on schemes' assets	38,760	276	39,036	40,920
Interest on the schemes' liabilities	(36,173)	(274)	(36,447)	(41,052)
Net income/(expense)	2,587	2	2,589	(132)

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

28. Pensions schemes (continued)

The amounts recognised in the statement of total recognised gains and losses is analysed below:

	UK Schemes £000	Other Schemes £000	2015 £000	2014 £000
Actual return less expected return on the schemes' assets	(46,422)	209	(46,213)	28,537
Experience gains arising on the schemes' liabilities	7,956	85	8,041	2,395
Changes in assumptions underlying the present value of the schemes' liabilities	(58,542)	(66)	(58,608)	(19,287)
Actuarial (loss)/gain recognised in the statement of total recognised gains and losses	(97,008)	228	(96,780)	11,645

The cumulative amount of actuarial losses recognised in the statement of total recognised gains and losses since 2004 is £328,139,000 (2014: £231,359,000).

The net pension deficit recognised in the balance sheet, together with a reconciliation of the movements on the fair value of the Schemes' assets and the present value of their liabilities, is set out below:

	UK Schemes £000	Other Schemes £000	2015 £000	2014 £000
Equities	-	1,654	1,654	304,031
Bonds	696,675	658	697,333	360,114
Hedge funds	-	772	772	2,902
Property	381	184	565	2,704
Other (including cash)	52,096	5,090	57,186	163,580
Total market value of assets	749,152	8,358	757,510	833,331
Present value of scheme liabilities	(938,483)	(8,633)	(947,116)	(957,932)
Deficit in the schemes	(189,331)	(275)	(189,606)	(124,601)
Related deferred tax asset/(liability)	37,866	(220)	37,646	24,568
Net pension deficit recognised	(151,465)	(495)	(151,960)	(100,033)

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

28. Pension schemes (continued)

A reconciliation of the the fair value of the Schemes' assets as a percentage of the total assets is set out below:

	2015 £000	2015 % of total assets	2014 £000	2014 % of total assets
Equities	1,654	0.2	304,031	36.5
Bonds	697,333	92.1	360,114	43.2
Hedge funds	772	0.1	2,902	0.4
Property	565	0.1	2,704	0.3
Other (including cash)	57,186	7.5	163,580	19.6
Total market value of assets	<u>757,510</u>	<u>100</u>	<u>833,331</u>	<u>100</u>

During the year the trustees of the UK Schemes agreed to change the investment profile of the Schemes' assets as part of an exercise to de-risk the Schemes.

A reconciliation of the fair value of the Schemes' assets is set out below:

	UK Schemes £000	Other Schemes £000	2015 £000	2014 £000
Opening fair value	825,007	8,323	833,330	775,514
Expected return on scheme assets	38,760	276	39,036	40,920
Actuarial (loss)/gain on scheme assets	(46,422)	209	(46,213)	28,537
Employer contributions	37,430	54	37,484	21,581
Settlement of assets in ETV exercise	(72,973)	-	(72,973)	-
Net benefits paid out	(32,650)	(250)	(32,900)	(33,097)
Foreign exchange movements	-	(254)	(254)	(125)
Closing fair value	<u>749,152</u>	<u>8,358</u>	<u>757,510</u>	<u>833,330</u>

The actual loss on the Schemes' assets during the year was £7,177,000 (2014: return of £69,457,000). The Schemes do not invest in any of the Group's financial instruments or any properties occupied by the Group.

A reconciliation of the present value of the Schemes' liabilities is set out below:

	UK Schemes £000	Other Schemes £000	2015 £000	2014 £000
Opening present value	948,846	9,086	957,932	931,299
Current service cost	1,610	-	1,610	1,911
Interest cost	36,173	274	36,447	41,052
Settlement of liabilities in ETV exercise	(66,082)	-	(66,082)	-
Actuarial loss/(gain) on scheme liabilities	50,586	(19)	50,567	16,892
Net benefits paid out	(32,650)	(250)	(32,900)	(33,097)
Foreign exchange movements	-	(458)	(458)	(125)
Closing present value	<u>938,483</u>	<u>8,633</u>	<u>947,116</u>	<u>957,932</u>

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

28. Pension schemes (continued)

History of the Schemes' deficits

	2015 £000	2014 £000	2013 £000	2012 £000	2011 £000
Fair value of the Schemes' assets	757,510	833,331	775,515	716,912	716,929
Present value of the Schemes' liabilities	(947,116)	(957,932)	(931,299)	(891,302)	(804,602)
Net deficit	<u>(189,606)</u>	<u>(124,601)</u>	<u>(155,784)</u>	<u>(174,390)</u>	<u>(87,673)</u>

UK Schemes

An FRS 17 valuation of the UK Schemes was carried out as at 29 August 2015, using the projected unit method, by Aon Hewitt Limited, professionally qualified actuaries. The principal assumptions made by the actuaries were:

	2015 % per annum	2014 % per annum
Rate of increase in salaries	N/A	N/A
Rate of increase in pensions payment:		
- AGSEPS	3.1	3.0
- AGPS - pre 1 March 2006 service	3.0	2.8
- AGPS - post 1 March 2006 service	2.2	2.0
Discount rate	3.9	4.1
RPI inflation	3.1	3.0
CPI inflation	2.0	2.0

The mortality assumptions used were:

	2015 AGPS Years	2015 AGSEPS Years	2014 AGPS Years	2014 AGSEPS Years
Life expectancy of member aged 65:				
- Male	87.0	89.0	87.0	89.0
- Female	89.3	91.2	89.2	91.1

Defined contribution schemes

Employer contributions to Arcadia's defined contribution scheme were £6,365,000 (2014: £6,706,000).

The Company contributed £1,739,000 (2014: £1,788,000) to the defined contribution scheme in the financial year.

The pension cost under the defined contribution section of the Matte plc pension scheme, referred to earlier, was £nil (2014: £nil). The Group also operates a personal pension plan for the benefit of Matte plc's former employees, to which it contributed £51,000 (2014: £64,000) during the year.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

28. Pension schemes (continued)

Total pension charge

The Group's net pension charge, including other finance costs, for the year ended 29 August 2015 was £5,912,000 (2014: £2,720,000).

29. Contingent liabilities

As part of the disposal of Bhs, the Group has guaranteed mortgages in respect of 16 stores owned or leased by Bhs. As at the date of sale, the total value of the guarantees was £110,000,000. As at the date of approval of these financial statements, this had reduced to £54,500,000 due to capital repayments and sales of properties.

As at the date of approval of these financial statements, Bhs was in administration. Should a buyer not be found for Bhs the stores would revert back to being owned or leased by the Group, and the Group would plan to trade from these stores.

30. Net cash flow from operating activities

	2015 £000	2014 £000
Operating profit	239,780	237,185
Amortisation of intangible assets	995	1,066
Depreciation of tangible assets	75,723	77,208
Loss on disposal of tangible assets	(3,834)	(403)
Decrease/(increase) in stocks	3,021	(2,038)
Increase in debtors	(9,001)	(2,144)
(Decrease)/increase in creditors	(2,904)	28,919
Difference between pension charge and cash contributions	(28,983)	(19,670)
Net cash inflow from operating activities	274,797	320,123

31. Analysis of cash flows for headings netted in cash flow statement

	2015 £000	2014 £000
Returns on investments and servicing of finance		
Interest received	1,423	1,110
Interest paid	(1,757)	(376)
Net cash (outflow)/inflow from returns on investments and servicing of finance	(334)	734

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Notes to the financial statements for the year ended 29 August 2015

31. Analysis of cash flows for headings netted in cash flow statement (continued)

	2015 £000	2014 £000
Capital expenditure and financial investment		
Purchase of tangible assets	(118,054)	(101,751)
Sale of tangible assets	6,818	6,409
Funding provided to fellow subsidiaries of Taveta Investments Limited	(45,177)	(71,925)
Net cash outflow from capital expenditure	(156,413)	(167,267)
	2015 £000	2014 £000
Acquisitions and disposals		
Purchase of subsidiary undertaking	(53,000)	-

32. Analysis of changes in net funds

	31 August 2014 £000	Cash flow £000	Other non-cash changes £000	29 August 2015 £000
Cash at bank and in hand	199,995	29,021	-	229,016
Debt:				
Debts due within one year	-	-	(1,700)	(1,700)
Debts falling due after more than one year	(1,700)	-	1,700	-
Net funds	198,295	29,021	-	227,316

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Notes to the financial statements for the year ended 29 August 2015

33. Related party transactions

During the year Arcadia Group Limited, a subsidiary of the Company, purchased the share capital of Wilton Equity Limited (which had the same ultimate controlling party as Taveta Investments Limited). Wilton Equity Limited owned a property (Marylebone House, 129/137 Marylebone Road, London). The sale was conducted on an arm's length basis following advice received from a third party valuer for £53,000,000.

Muse Retail Limited ('Muse') is a joint venture between Arcadia Group Limited and DCK Concessions Limited. The Group sub-lets premises to Muse and provides it with support in a number of areas including marketing, finance, treasury and IT. During the year the Group invoiced Muse £168,000 (2014: £209,000) in this regard. At the year end Muse owed the Group £1,909,000 (2014: £2,296,000), which has been fully provided against.

Parkwood Topshop Athletic Limited ('Parkwood') is a joint venture between Top Shop/Top Man Limited ('TSTM') and Parkwood Athletic LLC to develop a brand for athletic active wear. During the year, TSTM incurred costs of £981,000 (2014: Nil) on behalf of Parkwood.

A group company is a member of Fashion Retail Academy ('FRA'), a private training provider delivering a range of higher and further education courses with an emphasis on retailing. FRA is a company limited by guarantee. During the year, the Group invoiced FRA £1,402,000 (2014: £1,383,000), mainly in respect of property and marketing expenditure, and made a donation to FRA of £1,488,000 (2014: £1,396,000). The Group also provided FRA with other services on a gratis basis. During the year, FRA charged the Group £23,000 (2014: £31,000) for the use of its facilities. At the year end the Group owed FRA £387,000 (2014: 249,000).

The Company has taken advantage of the exemption under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are wholly owned members of the Group.

34. Post balance sheet events

Since 25 March 2015, the Group has been in dialogue with The Pensions Regulator ("the Regulator") and this has continued post year-end. The Regulator is using its powers under section 72 of the Pensions Act 2004 to gather information and documentation from the Group in connection with the Bhs pension schemes. The Regulator is investigating whether it needs to use its powers to issue either a financial support direction or a contribution notice. As at the date of approval of these financial statements, the Group and its Directors have not received any such direction from the the Regulator.

See note 29 for details of Bhs mortgage guarantees.

35. Ultimate parent undertaking and controlling party

The Company's immediate parent company is Taveta Investments (No. 2) Limited, a company incorporated in England. The largest group to consolidate these financial statements is Taveta Investments Limited. Taveta consolidated financial statements can be obtained by writing to the secretary at Colegrave House, 70 Berners Street, London, W1T 3NL.

The Company's ultimate controlling party is Lady Cristina Green.

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

36. Related undertakings

With the exception of A & D Pension Services Limited (50%), Gresse Street Limited (53%), Muse Retail Limited (50%), Parkwood Topshop Athletic Limited (37.5%) and the Top Shop/Top Man (Holdings) Limited group (denoted *) (75%), the Group owns the whole of the issued share capital of the group undertakings listed below.

Company	Country of operation	Country of registration	Activity
A & D Pension Services Limited	United Kingdom	England	Non-trading
Arcadia (401k) Trustee Limited	United Kingdom	England	Dormant
Arcadia Group Brands Limited	United Kingdom	England	Fashion retailing
Arcadia Group Design & Development Limited	United Kingdom	England	Store design and fit-out
Arcadia Group Fashion Holdings Limited	United Kingdom	England	Holding company
Arcadia Group Holdings Limited	United Kingdom	England	Non-trading
Arcadia Group (Hong Kong) Limited	Hong Kong	Hong Kong	Fashion procurement
Arcadia Group Pension Trust Limited	United Kingdom	England	Corporate trustee
Arcadia Group Retail Limited	United Kingdom	England	Dormant
Arcadia Group (USA) Limited*	USA	England	Fashion retailing
Arcadia Retail Group Limited	United Kingdom	England	Dormant
Arcadia Stancepower Holdings Limited	United Kingdom	England	Holding company
AG Clothing Limited	United Kingdom	England	Brand management
AG Clothing (Holdings) Limited	United Kingdom	England	Holding company
AG Fashion Limited	United Kingdom	England	Dormant
AG Insurance Company Limited	Guernsey	Guernsey	Captive insurer
AG Retail Holdings (Ireland) Limited	Ireland	Ireland	Holding company
AG Senior Executives Pension Trustee Limited	United Kingdom	England	Corporate trustee
Arcadia Group Multiples (Ireland) Limited	Ireland	Ireland	Fashion retailing
BE Leasing Limited	United Kingdom	England	Dormant
Boothouse Limited	United Kingdom	England	Dormant
Burton/Dorothy Perkins Properties Limited	United Kingdom	England	Property investment
Burton Property Trust Limited	United Kingdom	England	Dormant
Burton Retail Limited	United Kingdom	England	Fashion retailing
Burton Trading Limited	United Kingdom	England	Fashion retailing
Caraway Group Limited	United Kingdom	England	Dormant
Castle Trustee Limited	United Kingdom	England	Corporate trustee
Collier Finance Limited	United Kingdom	England	Non-trading
Dorothy Perkins Limited	United Kingdom	England	Property investment
Dorothy Perkins Retail Limited	United Kingdom	England	Fashion retailing
Dorothy Perkins Trading Limited	United Kingdom	England	Fashion retailing
Evans Limited	United Kingdom	England	Fashion retailing
Evans Retail Limited	United Kingdom	England	Fashion retailing
Evans Retail Properties Limited	United Kingdom	England	Property investment
GE Investors Jersey (No.2) Limited	Jersey	Jersey	Dormant
Gresse Street Limited	United Kingdom	England	Property investment
Matte Card Services Limited	United Kingdom	England	Dormant
Miss Selfridge Retail Limited	United Kingdom	England	Fashion retailing
Miss Selfridge Retail (Ireland) Limited	Ireland	Ireland	Fashion retailing

Arcadia Group Limited

Notes to the financial statements for the year ended 29 August 2015

36. Related undertakings (continued)

Company	Country of operation	Country of registration	Activity
Miss Selfridge Properties Limited	United Kingdom	England	Property investment
Montague Burton Employees Saving Trustee Limited	United Kingdom	England	Dormant
Montague Burton Properties Limited	United Kingdom	England	Dormant
Montague Burton Property Investments Limited	United Kingdom	England	Dormant
Muse Retail Limited	United Kingdom	England	Fashion retailing
Outfit Retail Limited	United Kingdom	England	Fashion retailing
Parkwood Topshop Athletic Limited	United Kingdom	England	Dormant
Redcastle Limited	United Kingdom	England	Property investment
Redcastle (214 Oxford Street) Limited	United Kingdom	England	Property investment
Redcastle Finance Limited	United Kingdom	England	Holding Company
Redcastle (Holdings) Limited	United Kingdom	England	Holding Company
Redcastle Investments Limited	United Kingdom	England	Dormant
Redcastle Properties Limited	United Kingdom	England	Dormant
Redcastle Property Mortgage Limited	United Kingdom	England	Property investment
Redcastle (Freeholds) Limited	United Kingdom	England	Property investment
Redcastle (Leaseholds) Limited	United Kingdom	England	Dormant
Redcastle (TS/TM) Limited	United Kingdom	England	Property investment
Richards Investments Limited	United Kingdom	England	Holding company
Dorsub (RSL) Limited	United Kingdom	England	In liquidation
Dorsub (RSH) Limited	United Kingdom	England	In liquidation
Stancepower	United Kingdom	England	Dormant
SVML Limited	United Kingdom	England	Dormant
Tammy (Girlswear) Limited	United Kingdom	England	Dormant
Top Shop/Top Man Limited*	United Kingdom	England	Fashion retailing
Top Shop/Top Man (Holdings) Limited*	United Kingdom	England	Holding company
Top Shop/Top Man (Ireland) Limited*	Ireland	Ireland	Fashion retailing
Top Shop/Top Man Properties Limited*	United Kingdom	England	Property investment
Top Shop/Top Man (Wholesale) Limited*	United Kingdom	England	Fashion wholesaling
Top Shop/Top Man (Netherlands) B.V.*	Netherlands	Netherlands	Property holding
Wallis (London) Limited	United Kingdom	England	Dormant
Wallis Retail Limited	United Kingdom	England	Fashion retailing
Wallis Retail (Ireland) Limited	Ireland	Ireland	Fashion retailing
Wallis Retail Properties Limited	United Kingdom	England	Property investment
Wilton Equity Limited	United Kingdom	British Virgin Islands	Property Investment
Zoom.co.uk Limited	United Kingdom	England	E-commerce