

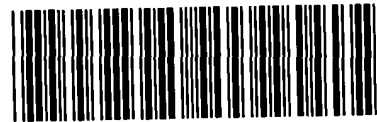
Together Limited

**Directors' report and financial
statements**

Registered number 1818712

For the year ended 28 February 2018

THURSDAY



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Directors' report

The directors present their directors' report and financial statements for the year ended 28 February 2018.

The company has taken advantage of the small companies exemption from the requirement to prepare a strategic report.

Company registration number

The registration number of the company is 1818712.

Principal activities and business review

The principal activity of the company is the provision of womenswear designs to leading mail order houses in the United Kingdom and overseas under the brands of Together. Royalties are payable to the company for designs sold through mail order houses. In addition to the UK office, the company has a branch in Hong Kong.

The results for the company show a loss before tax of £163,000 (*2017: profit £225,000*) for the year and turnover of £4,821,000 (*2017: £5,961,000*). The company has net liabilities of £2,989,000 (*2017: net liabilities of £2,857,000*).

Going concern

An intercompany loan is provided to the company by Otto (GmbH & Co KG), Hamburg, Germany with a line of credit up to £7 million (£4,825,000 drawn down as at 28 February 2018). This is due to expire on 31 May 2019.

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

Principal risks and uncertainties

Together specialise in the design of womenswear designs for the 35+ mail order market, and in the past has sought to extend its offer to more customers outside of the Otto Group.

The principal risk for the company is that the designs created will not be selected by their customers to be featured in their action chain.

Proposed dividend

No dividend was paid or proposed during the year (*2017: £nil*).

Directors' report *(continued)*

Directors

The directors who held office during the year and to the date of this report were as follows:

J Brennan
J Hinchcliffe
L Finn

Charitable and political contributions

The company made £175 charitable donations during the year (2017: £1,477).

Disclosure of information to auditor

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

Auditor

In accordance with Section 487 of the Companies Act 2006, KPMG LLP are deemed to be reappointed as auditor of the company and will therefore continue in office.

By order of the board


L Gladdish
Secretary

17-19 Foley Street
~~26-28 Conway Street~~
London
W1T 6BH
W 6DW

Company registered number: 1818712

25 May 2018

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
United Kingdom

Independent auditor's report to the members of Together Limited

Opinion

We have audited the financial statements of Together Limited ("the company") for the year ended 28 February 2018 which comprise the Profit and Loss Account and Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Together Limited (continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

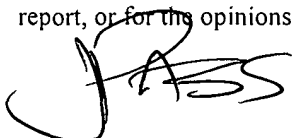
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Johnathan Pass (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

31/5/2018

Profit and loss account and statement of other comprehensive income

for the year ended 28 February 2018

	<i>Note</i>	2018 £000	2017 £000
Turnover	<i>1</i>	4,821	5,961
Cost of sales		(3,912)	(4,619)
		<hr/>	<hr/>
Gross profit		909	1,342
Distribution costs		(524)	(593)
Administrative expenses		(401)	(387)
		<hr/>	<hr/>
Operating (loss)/profit		(16)	362
Interest payable and similar charges	<i>5</i>	(147)	(137)
		<hr/>	<hr/>
		(163)	225
(Loss)/profit on ordinary activities before taxation	<i>2</i>		
Tax on (loss)/profit on ordinary activities	<i>6</i>	31	(23)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities after taxation		(132)	202
		<hr/>	<hr/>

There are no recognised gains and losses other than those stated above and therefore no separate statement of other comprehensive income has been prepared.

Turnover and operating profit are wholly attributable to continuing operations.

The notes on pages 9 to 19 form part of these financial statements.

Balance sheet

at 28 February 2018

	Note	2018 £000	2017 £000
Fixed assets			
Tangible assets	7	121	26
Current assets			
Debtors	8	2,077	2,089
Cash at bank and in hand		291	620
		<u>2,368</u>	<u>2,709</u>
Creditors: amounts falling due within one year	9	(653)	(677)
Net current liabilities		<u>1,715</u>	<u>2,032</u>
Total assets less current liabilities		<u>1,836</u>	<u>2,058</u>
Creditors: amounts falling due in more than one year	10	(4,825)	(4,915)
Net liabilities		<u>(2,989)</u>	<u>(2,857)</u>
Capital and reserves			
Called up share capital	11	200	200
Share premium		5,800	5,800
Profit and loss account		(8,989)	(8,857)
Shareholders' deficit		<u>(2,989)</u>	<u>(2,857)</u>

The notes on pages 9 to 19 form part of these financial statements.

These financial statements were approved by the board of directors on and were signed on its behalf by:

25 May 2018

J Brennan
Director

Company registration number: 1818712

Statement of Changes in Equity

	Called up share capital £000	Share Premium Reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 March 2016	200	5,800	(9,059)	(3,059)
Profit for the period	-	-	202	202
Balance at 28 February 2017	200	5,800	(8,857)	(2,857)
	Called up share capital £000	Share Premium Reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 March 2017	200	5,800	(8,857)	(2,857)
Profit for the period	-	-	(132)	(132)
Balance at 28 February 2018	200	5,800	(8,989)	(2,989)

Notes (forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements. Together Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

The Company's ultimate parent undertaking, Otto Aktiengesellschaft fuer Beteiligungen includes the Company in its consolidated financial statements. The consolidated financial statements of Otto Aktiengesellschaft fuer Beteiligungen Hamburg, Germany are available to the public and may be obtained from Federal Gazette (Bundesanzeiger) at www.bundesanzeiger.de only. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Otto Aktiengesellschaft fuer Beteiligungen include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the reasons set out below. The company has reported an operating loss for the year ending 28 February 2018, and as at that date, the company's current liabilities exceeded its assets by £1,836,000. An intercompany loan is provided to the company by Otto (GmbH & Co KG), Hamburg, Germany with a line of credit up to £7 million, with £4,825,000 drawn down as at 28 February 2018). This facility is due to expire on 31 May 2019 as per directors' report.

The directors believe that the going concern assumption is appropriate as the group facility remains in place.

Notes (continued)

1 Accounting policies (continued)

1.3 Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.4 Turnover

Turnover represents the amounts (excluding Value Added Tax) derived from the provision of goods and services to customers and franchise income receivable during the year. The company has taken advantage of the exemptions given by FRS102 not to disclose segmental information.

1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes (continued)

1 Accounting policies (continued)

1.6 Retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

1.7 Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Short leasehold improvements	-	5 years
Plant and machinery	-	2 to 5 years
Motor vehicles	-	2 to 5 years
Fixtures, fittings, tools and equipment	-	2 to 5 years

1.8 Design Costs

Design costs relating to future seasons, where the designs are not yet available for sale, are included in prepayments.

1.9 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account. Where a forward foreign exchange contract has been entered into for the purpose of hedging against income in foreign currency, the rate specified in the contract has been used to value assets and liabilities at the balance sheet date.

Notes (continued)

1 Accounting policies (continued)

1.10 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.11 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

1.12 Intra-group financial Instruments

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Notes (continued)

2 Profit on ordinary activities before taxation

	2018 £000	2017 £000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Depreciation and other amounts written off tangible fixed assets	16	14
Rentals payable under operating leases		
- plant and machinery	35	34
- other	179	204
	<u> </u>	<u> </u>
<i>Auditor's remuneration:</i>		
Audit of these financial statements	30	28
	<u> </u>	<u> </u>

3 Remuneration of directors

	2018 £000	2017 £000
Directors' emoluments:		
As directors	333	327
	<u> </u>	<u> </u>

The emoluments of the highest paid director were £228,319 (2017: £222,078), and company pension contributions of £9,000 (2017: £8,500) were made to a money purchase scheme on behalf of this director.

Retirement benefits are accruing to the following number of directors under:

	Number of directors 2018	2017
Money purchase schemes	2	2
	<u> </u>	<u> </u>

Notes (continued)

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2018	2017
Sales	8	8
Administration	3	3
Design and sampling	26	28
	<hr/>	<hr/>
	37	39
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2018	2017
	£000	£000
Wages and salaries	1,227	1,302
Social security costs	141	118
Other pension costs (see note 14)	27	26
	<hr/>	<hr/>
	1,395	1,446
	<hr/>	<hr/>

5 Interest payable and similar charges

	2018	2017
	£000	£000
Amounts payable on intercompany loan	92	133
Net loss on foreign exchange transactions	53	4
Interest payment received	(1)	-
Bank Charges	3	-
	<hr/>	<hr/>
	147	137
	<hr/>	<hr/>

Notes (continued)

6 Taxation

	2018 £000	2017 £000
<i>Current taxation:</i>		
Overseas taxation (credit)/charge	(31)	23
	<hr/>	<hr/>
<i>Factors affecting current period tax charge</i>		
The current tax credit for the period is lower (2017: lower) than the standard rate of corporation tax in the UK 19% (2017: 20%). The differences are explained below.		
	2018 £000	2017 £000
<i>Current tax reconciliation</i>		
(Loss)/profit on ordinary activities before tax	(163)	225
	<hr/>	<hr/>
Current tax at 19% (2017: 20%)	(31)	45
<i>Effects of:</i>		
Items not deductible for tax purposes	23	25
Trading losses brought forward	-	(70)
Trading losses carried forward	8	-
Depreciation for period in excess of capital allowances	-	-
Overseas withholding tax received	19	23
Adjustment of tax charge in respect of previous periods	(50)	-
	<hr/>	<hr/>
Current tax (credit)/charge	(31)	23
	<hr/>	<hr/>

The potential deferred tax asset has not been recognised in the financial statements as there is currently inadequate certainty that the company will have sufficient profits to utilise this in the near future. The full potential asset, at 17% (2017: 17%) is as follows:

	2018 Potential asset £000	2017 Potential asset £000
Difference between accumulated depreciation and capital allowances	38	57
Trading losses	978	973
	<hr/>	<hr/>
	1,016	1,030
	<hr/>	<hr/>

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2016) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2016, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2017.

This will reduce the company's future current tax charge accordingly. The potential deferred tax asset at 28 February 2018 has been calculated based on these current rates.

Notes (continued)

7 Tangible fixed assets

	Short leasehold improvements £000	Plant and machinery and motor vehicles £000	Fixtures, fittings, tools and equipment £000	Total £000
Cost				
At beginning of year	53	179	41	273
Additions	106	9	-	115
Disposals	(53)	(49)	(20)	(122)
At end of year	106	139	21	266
Depreciation				
At beginning of year	49	162	36	247
Charge for year	4	10	2	16
Disposals	(51)	(48)	(19)	(118)
At end of year	2	124	19	145
Net book value				
At 28 February 2018	104	15	2	121
At 28 February 2017	4	17	5	26

8 Debtors

	2018 £000	2017 £000
Trade debtors	627	523
Amounts owed by group undertakings	196	163
Other debtors	32	56
Prepayments and accrued income	1,222	1,347
	2,077	2,089

No interest is charged on intercompany balances and they are payable on demand

Notes (continued)

9 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	190	214
Amounts owed to group undertakings	295	173
Taxes and social security	38	28
Other creditors	22	59
Accruals and deferred income	108	203
	<u>653</u>	<u>677</u>

10 Creditors: amounts falling due in more than one year

	2018 £000	2017 £000
Intercompany loan	4,825	4,915
	<u>4,825</u>	<u>4,915</u>

Terms and debt repayment schedule

	Nominal interest rate	Year of maturity	2018 £	2017 £
Intercompany Loan	1.897%	31/05/2019	4,825	4,915

11 Called up share capital

	2018 £000	2017 £000
<i>Allotted, called up and fully paid</i>		
100,001 ordinary class "A" shares of £1 each	100	100
100,001 ordinary class "B" shares of £1 each	100	100
	<u>200</u>	<u>200</u>

The ordinary "A" shares and "B" shares rank pari passu.

Notes (continued)

12 Operating leases

The total future value of minimum lease payments is as follows:

	2018		2017	
	Other £000	Land and buildings £000	Other £000	Land and buildings £000
Operating leases which expire:				
Within one year	35	127	34	166
In the second to fifth years inclusive	81	147	104	-
	<u>116</u>	<u>274</u>	<u>138</u>	<u>166</u>

13 Related party

During the year, the company made a number of payments on behalf of its directors, on which no interest was charged, and the amounts are fully recoverable. The balances at the beginning and end of the year and highest balances outstanding at any point during the year are set out below:

Director	At 28 February 2018 £	At 28 February 2017 £	Highest balance £
Mrs J Brennan	-	4	4,985
Miss L Finn	-	-	75
	<u>-</u>	<u>-</u>	<u>5,060</u>

The company has taken exemption under FRS102 section 33 from disclosing transactions or balances with wholly owned entities which form part of the group.

14 Pension scheme

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £27,000 (2017: £26,000).

Contributions amounting to £3,000 (2017: £4,000) were payable to the scheme and are included in creditors.

Notes *(continued)*

15 Ultimate parent undertaking

The immediate parent undertaking of the Company is Freemans Grattan Holdings Limited, a company incorporated in England and Wales. The company is a subsidiary undertaking of Otto Aktiengesellschaft fuer Beteiligungen, Hamburg, Germany which is the ultimate parent company incorporated in Germany.

The smallest group in which the results of the company are consolidated is that headed by Otto (GmbH & Co KG), Hamburg, incorporated in Germany. The largest group in which the results of the company are consolidated is that headed by Otto Aktiengesellschaft fuer Beteiligungen, Hamburg incorporated in Germany. The consolidated accounts of Otto Aktiengesellschaft fuer Beteiligungen, Hamburg, Germany are only available in electronic form to the public at www.bundesanzeiger.de.