

Company Number: 01969351

AGNES B. U.K. LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

TUESDAY



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AGNES B. U.K. LIMITED

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AGNES B. U K LIMITED

Company Number: 01969351

COMPANY INFORMATION

DIRECTOR

E BOURGOIS

SECRETARY

REED SMITH CORPORATE SERVICES LIMITED

COMPANY NUMBER

01969351

REGISTERED OFFICE

**THE BROADGATE TOWER
THIRD FLOOR
20 PRIMROSE STREET
LONDON
EC2A 2RS**

AUDITOR

**MAZARS LLP
THE ATRIUM
PARK STREET WEST
LUTON
BEDFORDSHIRE
LU1 3BE**

BANKERS

**NATIONAL WESTMINSTER BANK PLC
224 KINGS ROAD
LONDON
SW3 5XJ**

SOLICITORS

**MARTIN SHEPHERD & CO
29 SOUTHBURY ROAD
ENFIELD
MIDDLESEX
EN1 1YZ**

DIRECTOR'S REPORT

The director presents his report and financial statements for the year ended 31 December 2011

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

UK company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to

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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTOR

The following director has held office during the whole of the year from 1 January 2011 to the date of this report
E Bourgois

PRINCIPAL ACTIVITIES

The company is a fashion ready-to-wear retailer mainly established in London and with a parent company set up in Paris. The brand Agnès b exists worldwide and is represented through more than 10 subsidiaries and 260 shops.

CHARITABLE CONTRIBUTIONS

During the year the company made charitable donations of £6,942 (2010: £28,013).

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The director has taken all the necessary steps to make himself aware, as director, of any relevant audit information and to establish that the auditor is aware of that information. As far as the director is aware, there is no relevant audit information of which the company's auditor is unaware.

AUDITOR

There are elective resolutions in force to dispense with the holding of AGMs, the laying of accounts and annual appointment of the auditor.

The director has prepared this report in accordance with the special provisions of Statutory Instrument 2008/409 under the Companies Act 2006 relating to small companies.

Approved by the Board on
and signed on its behalf by

01.07.2012

E Bourgois, Director



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AGNES B. U.K. LIMITED**

We have audited the financial statements of Agnes B U.K. Limited for the year ended 31 December 2011 which comprise the Profit and Loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely for 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss 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.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT (continued)
TO THE MEMBERS OF AGNES B. U.K. LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director is not entitled to prepare the financial statements and the Director's report in accordance with the small companies regime



William Neale Bussey (Senior statutory auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date *20 July 2012*

AGNES B. U.K. LIMITED**Company Number: 01969351****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £	2010 £
TURNOVER	2	3,463,547	3,378,561
Cost of sales		(1,684,125)	(1,513,984)
GROSS PROFIT		1,779,422	1,864,577
Distribution costs		(1,011,142)	(1,045,542)
Administrative expenses		(1,243,802)	(1,119,120)
OPERATING LOSS	3	(475,522)	(300,085)
Interest receivable and similar income	4	1,156	814
Interest payable and similar charges	5	(4,439)	(2,544)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(478,805)	(301,815)
Tax on loss on ordinary activities	7	-	-
LOSS FOR THE FINANCIAL YEAR	14, 15	(478,805)	(301,815)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

AGNES B. U.K. LIMITED

Company Number: 01969351

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	8		26,820		45,909
Current assets					
Stocks	9	585,537		579,389	
Debtors	10	282,347		255,907	
Cash at bank and in hand		288,782		617,916	
		<u>1,156,666</u>		<u>1,453,212</u>	
Creditors: amounts falling due within one year	11	<u>(1,371,631)</u>		<u>(1,186,849)</u>	
Net current (liabilities)/assets			<u>(214,965)</u>		<u>266,363</u>
Total assets less current liabilities			<u>(188,145)</u>		<u>312,272</u>
Creditors: amounts falling due after more than one year	12		<u>(15,063)</u>		<u>(36,675)</u>
			<u>(203,208)</u>		<u>275,597</u>
Capital and reserves					
Share capital	13		500,000		500,000
Profit and loss account	14		<u>(703,208)</u>		<u>(224,403)</u>
Shareholders' (deficit)/funds	15		<u>(203,208)</u>		<u>275,597</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

Approved by the Board on
and signed on its behalf by



E Bourgois, Director

01.07.2012

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1 ACCOUNTING POLICIES

(a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

(b) Going concern

The financial statements have been prepared on a going concern basis. The company has incurred losses in the current and prior year, has net liabilities and is dependent on the continuing financial support of its immediate parent company, CMC S A S. The director has received confirmation from CMC S A S that it does not intend to demand repayment of the outstanding balance due from the company, which amounted to £1,053,154 at 31 December 2011, except to the extent that the company is in a position to pay, for at least 12 months from the date of signing of the company's financial statements. The director considers that this confirmation provides him with sufficient assurance that the company will be able to meet its liabilities as they fall due for the foreseeable future and has therefore prepared the financial statements on a going concern basis.

Should repayment of amounts due to CMC S A S the immediate parent company be demanded, the going concern basis of preparation may no longer be appropriate, and significant adjustments may be required to these financial statements.

(c) Turnover

Turnover represents the amounts invoiced less allowance for actual and expected returns, excluding value added tax, in respect of the sale of goods and services to customers.

Differences between actual and expected utilisation of credit notes and gift vouchers give rise to credits or charges to turnover in years subsequent to the initial year of issue of credit notes or gift vouchers where not utilised in the year of issue.

(d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life, as follows:

Leasehold property	- over the lower of the lease term or useful economic life
Fixtures, fittings & equipment	- over 4 years
Computer equipment	- over 3 years

Impairments are assessed, where value-in-use does not support the net book amounts before any such impairments, as the higher of value-in-use and estimated recoverable amounts on the sale of such assets. Where such assets are not readily removable from the leasehold property, recoverable amounts are assumed to be the leasehold premiums that would be available in the event of the sale of the lease based on latest reliable information.

(e) Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

(f) Stocks

Stocks consist of finished goods held for resale. Stock is valued at the lower of cost and net realisable value.

(g) Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year to defined contribution pension schemes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

1 ACCOUNTING POLICIES (continued)**(h) Deferred taxation**

Deferred tax is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date

A deferred tax asset is 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 timing differences can be deducted

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

(i) Foreign currency translation

Stock is purchased from the parent company at a fixed exchange rate. Liabilities expressed in foreign currencies are translated into sterling at the rate ruling at the balance sheet date. Differences arising on the translation of such items is dealt with in the profit and loss account

(j) Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard 1 'Cash Flow Statements', which allows small companies not to prepare a cash flow statement

2 TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 OPERATING LOSS

	2011 £	2010 £
Operating loss is stated after charging/(crediting)		
Depreciation of tangible assets	35,483	41,295
Operating lease rentals – property	646,092	577,717
Auditors' remuneration for audit work	14,800	14,000
Release of impairment provision against tangible fixed assets	-	(40,240)
Write-back arising from change in assumptions regarding credit notes and gift vouchers not utilised	-	(81,710)
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

4	INTEREST RECEIVABLE AND SIMILAR INCOME	2011	2010
		£	£
	Bank interest receivable	59	60
	Other interest receivable	-	111
	Gain on foreign exchange retranslation of amounts owed by or to group undertakings	1,097	643
		<u>1,156</u>	<u>814</u>
5	INTEREST PAYABLE AND SIMILAR CHARGES	2011	2010
		£	£
	Interest payable to parent undertaking	2,660	1,572
	Loss on foreign exchange retranslation of amounts owed by or to group undertakings	1,779	972
		<u>4,439</u>	<u>2,544</u>

6 DIRECTOR

The director neither received nor was entitled to receive emoluments in respect of services to the company in the current or prior year

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

7 TAXATION ON LOSS ON ORDINARY ACTIVITIES	2011 £	2010 £
Current taxation		
UK Corporation tax charge for the year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing difference	-	-
Tax on loss on ordinary activities	-	-

The rate of tax for the year based on the UK effective rate of corporation tax is 26.5% (2010: 28%). The actual tax charge for the current and the previous year varies from these rates for the reasons set out in the following reconciliation

	2011 £	2010 £
Loss on ordinary activities before tax	(478,805)	(301,815)
Tax on loss on ordinary activities at 26.5% (2010: 28%)	(126,883)	(84,508)
Factors affecting charge for the year:		
Capital allowances in advance of depreciation	(855)	(9,074)
Expenses not deductible for tax purposes	6,818	11,165
Income not taxable	-	(8,822)
Unutilised tax losses carried forward	120,920	91,239
Current tax	-	-

Deferred taxation

Deferred taxation consists of assets not recognised in the accounts. The assets have been calculated at the normal company tax rate of 25% substantively enacted by the balance sheet date (2010: 27%).

	Asset not recognised	
	2011 £	2010 £
Unutilised tax losses	1,371,370	1,357,879
Depreciation in excess of capital allowances	17,076	19,313
	1,388,446	1,377,192

Unrecognised deferred taxation assets could be recoverable in the event and to the extent of a return to taxable profits in the future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

8 TANGIBLE FIXED ASSETS	Land and buildings leasehold £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost				
At 1 January 2011	554,055	391,098	109,471	1,054,624
Additions	16,394	-	-	16,394
Disposals	-	(4,106)	(1,050)	(5,156)
At 31 December 2011	<u>570,449</u>	<u>386,992</u>	<u>108,421</u>	<u>1,065,862</u>
Depreciation				
At 1 January 2011	541,363	360,412	106,940	1,008,715
Charge for the year	8,614	25,543	1,326	35,483
Eliminated on disposal	-	(4,106)	(1,050)	(5,156)
At 31 December 2011	<u>549,977</u>	<u>381,849</u>	<u>107,216</u>	<u>1,039,042</u>
Net book amount				
At 31 December 2011	<u>20,472</u>	<u>5,143</u>	<u>1,205</u>	<u>26,820</u>
At 31 December 2010	<u>12,692</u>	<u>30,686</u>	<u>2,531</u>	<u>45,909</u>
9 STOCKS			2011 £	2010 £
Finished goods and goods for resale			<u>585,537</u>	<u>579,389</u>
10 DEBTORS			2011 £	2010 £
Trade debtors			43,656	53,320
Amounts owed by group undertakings			18,294	-
Other debtors			15,050	15,000
Prepayments and accrued income			205,347	187,587
			<u>282,347</u>	<u>255,907</u>

Other debtors principally comprises rent deposits falling due after more than one year

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2011	2010
	£	£
Trade creditors	11,142	49,608
Amounts owed to group undertakings	1,053,154	818,001
Amounts owed to related party	29,369	28,112
Other taxes and social security costs	163,134	132,682
Other creditors	66,136	65,163
Accruals and deferred income	48,696	93,283
	<u>1,371,631</u>	<u>1,186,849</u>
12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2011	2010
	£	£
Accruals and deferred income	<u>15,063</u>	<u>36,675</u>
13 SHARE CAPITAL	2011	2010
	£	£
Allotted, called up and fully paid		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

14 STATEMENT OF MOVEMENTS ON PROFIT AND LOSS ACCOUNT

Profit and
loss account
£

Balance at 1 January 2011	(224,403)
Loss for the financial year	(478,805)
Balance at 31 December 2011	<u>(703,208)</u>

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' (DEFICIT)/FUNDS

	2011 £	2010 £
Loss for the financial year	(478,805)	(301,815)
Net movements in shareholders' deficit	(478,805)	(301,815)
Opening shareholders' funds	275,597	577,412
Closing shareholders' (deficit)/funds	<u>(203,208)</u>	<u>275,597</u>

16 PENSION COSTS

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 pension cost charge represents contributions payable by the company to the fund and amounted to £6,600 (2010 £5,168) during the year. Contributions totalling £nil (2010 £nil) were payable to the fund at the year end.

17 FINANCIAL COMMITMENTS

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2011 £	2010 £
Expiry date		
Within one year	107,917	-
In the second to fifth years	132,673	461,335
In over five years	215,000	60,000
	<u>455,590</u>	<u>521,335</u>

Amounts above exclude rent payable in relation to one concession store for which rent payable is based on a percentage of net sales with no minimum rent guarantee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

18 RELATED PARTY TRANSACTIONS

During the year, royalties totalling £103,982 (2010 £99,840) were payable to Mrs A Trouble in accordance with a contract signed between Mrs Trouble and Agnes B U K Limited on 1 October 1997. A creditor of £29,369 existed at 31 December 2011 (2010 creditor of £28,112)

Agnes B U K Limited has taken advantage of the exemptions conferred by Financial Reporting Standard 8 from the requirements to make full disclosures concerning related parties within the group

19 CONTROL

The company is a 100% subsidiary of its immediate parent company, CMC S A S , a company incorporated in France

The directors consider Pyramides S A S , a company incorporated in France, to be the ultimate parent company. Mrs Agnes Trouble is the controlling shareholder of Pyramides S A S. Pyramides S A S produces group accounts for the largest and smallest group of which the company is a member. Group accounts are available from Companies' House in Paris, France at 1 quai de la Corse, 75181 Paris, Cedex 04