

Agnes B. U.K. Limited

Registered number: 01969351

Annual Report

For the year ended 31 December 2019



AGNES B. U.K. LIMITED

COMPANY INFORMATION

Director	E Bourgois
Company secretary	Reed Smith Corporate Services Limited
Registered number	01969351
Registered office	The Broadgate Tower Third Floor Third Floor 20 Primrose Street London EC2A 2RS
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditor Tower Bridge House St Katharine's Way London E1W 1DD
Bankers	National Westminster Bank PLC 224 Kings Road London SW3 5XJ

AGNES B. U.K. LIMITED

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AGNES B. U.K. LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The director presents his annual report and the audited financial statements for the year ended 31 December 2019.

Principal activity

The Company is a ready-to-wear fashion retailer in London and with a parent company in Paris. The brand Agnes b exists worldwide and is represented through more than 12 countries and 247 shops plus an online presence.

Director

The director who served during the year and to the date of this report was:

E Bourgois

Director's responsibilities statement

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

Company law requires the director to prepare audited financial statements for each financial year. Under that law the director has elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the audited 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 audited financial statements, the director is required to:

- select suitable accounting policies for the Company's financial statements 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 the audited 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 to enable him to ensure that the audited 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'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Future developments

The Company is expected to further increase its online presence and strength the online sales during 2020.

The Company will continue to implement the Group's Value Strategy and strength presence in key markets for the Pret a Porter market. The Company will continue to strictly control costs and implement a robust appraisal of return on investment analysis.

The outbreak of the Covid 19 and the lockdown measures imposed on the retail sector in the UK during the months March to June 2020 has impacted in the short term profitability of the United Kingdom points of sale, only partially compensated by the increase in online sales. It is expected that the second half of 2020, after the launch of the new collection, will show initial signs of recovery.

Provision of information to auditor

The director at the time when this Director's Report is approved has confirmed that:

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

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and not less than one year from the date of approval of the financial statements. In making this assessment the director has considered the latest forecasts prepared by the Company and the Group, as well as the ability for the Group to provide support should it be required. Thus, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements (note 2).

The withdrawal of the United Kingdom from the European Union

The United Kingdom withdrew from the European Union on 31 January 2020 and entered into an Implementation Period which is scheduled to end on 31 December 2020. During this period, the trading relationship between the UK and the EU is expected to remain unchanged, however the terms of the future relationship between the UK and the EU from 1 January 2021 onwards are still unknown. At the date of this report it is therefore impossible to assess in detail the opportunities and threats that this future relationship could present. The directors are managing these risks by closely monitoring developments, and are confident that the Company will be able to amend and modify its procedures to remain fully compliant with any future rules and regulations, and to maintain its standing and reputation in the marketplace throughout Europe and worldwide.

Post balance sheet events

On 30 January 2020, the World Health Organization (WHO) declared COVID-19 as a 'Public Health Emergency of International Concern'. The director has considered the impact of the outbreak within the page 5. The director has treated this as a non-adjusting event and as such the accounting estimates and judgments as disclosed within note 2 of the financial statements have not been updated to reflect this. The going concern basis of preparation is considered appropriate for the preparation of the financial statements as per note 2 on page 10.

AGNES B. U.K. LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

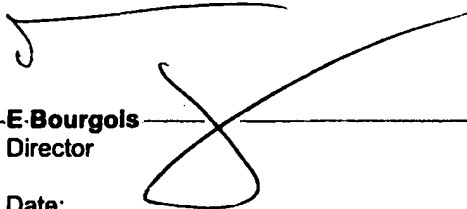
Auditor

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

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



E. Bourgois
Director

Date:

24/09/20

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGNES B. U.K. LIMITED

Opinion

We have audited the financial statements of Agnes B. U.K. Limited (the 'Company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 2, and the consideration in the going concern basis of preparation in note 2 and non- adjusting post balance sheet events in note 21.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19, The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the company's trade, customers, suppliers and the wider economy.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGNES B. U.K. LIMITED

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Report.

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

- adequate accounting records have not been kept, 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Director's Report and from the requirement to prepare a Strategic Report.

AGNES B. U.K. LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGNES B. U.K. LIMITED

Responsibilities of Directors

As explained more fully in the director's responsibilities statement set out on page 1, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

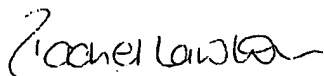
Auditor's responsibilities for the audit of the financial statements

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

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

Use of the audit report

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Rachel Lawton (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: 24/09/20

AGNES B. U.K. LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover	4	3,393,951	3,327,500
Cost of sales		(1,475,599)	(1,500,971)
Gross profit		<u>1,918,352</u>	<u>1,826,529</u>
Distribution costs		(951,365)	(903,103)
Administrative expenses		(1,277,480)	(1,177,916)
Operating loss	5	<u>(310,493)</u>	<u>(254,490)</u>
Interest payable and expenses	9	(7,602)	(4,498)
Loss before tax		<u>(318,095)</u>	<u>(258,988)</u>
Tax on loss	10	-	-
Loss for the financial year		<u>(318,095)</u>	<u>(258,988)</u>
Other comprehensive income		-	-
Total comprehensive loss for the year		<u>(318,095)</u>	<u>(258,988)</u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 11 to 21 form part of these financial statements.

AGNES B. U.K. LIMITED
REGISTERED NUMBER: 01969351

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	11	2,690	4,169
Tangible assets	12	118,891	208,590
		<u>121,581</u>	<u>212,759</u>
Current assets			
Debtors: amounts falling due within one year	13	298,740	347,104
Cash at bank and in hand	14	758,463	246,758
		<u>1,057,203</u>	<u>593,862</u>
Creditors: amounts falling due within one year	15	(1,086,380)	(1,296,122)
Net current liabilities		<u>(29,177)</u>	<u>(702,260)</u>
Total assets less current liabilities		<u>92,404</u>	<u>(489,501)</u>
Net assets/(liabilities)		<u>92,404</u>	<u>(489,501)</u>
Capital and reserves			
Called up share capital	16	2,100,000	2,100,000
Capital contribution reserve	17	900,000	-
Profit and loss account	17	(2,907,596)	(2,589,501)
Total equity		<u>92,404</u>	<u>(489,501)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

E Bourgois
 Director

Date:

24/09/20

The notes on pages 11 to 21 form part of these financial statements.

AGNES B. U.K. LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	2,100,000	-	(2,330,513)	(230,513)
Comprehensive income for the year				
Loss for the year	-	-	(258,988)	(258,988)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(258,988)	(258,988)
Total transactions with owners	-	-	-	-
At 1 January 2019	2,100,000	-	(2,589,501)	(489,501)
Comprehensive income for the year				
Loss for the year	-	-	(318,095)	(318,095)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(318,095)	(318,095)
Capital contribution received	-	900,000	-	900,000
Total transactions with owners	-	900,000	-	900,000
At 31 December 2019	2,100,000	900,000	(2,907,596)	92,404

The notes on pages 11 to 21 form part of these financial statements.

AGNES B. U.K. LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 £	2018 £
Cash flows from operating activities		
Loss for the financial year	(318,095)	(258,988)
Adjustments for:		
Amortisation of intangible assets	1,479	271
Depreciation of tangible assets	96,939	90,993
Interest paid	7,602	4,498
Decrease/(increase) in debtors	48,364	(61,333)
(Decrease)/increase in creditors	(209,742)	265,764
Net cash generated from operating activities	(373,453)	41,205
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(4,440)
Purchase of tangible fixed assets	(7,240)	(31,513)
Net cash from investing activities	(7,240)	(35,953)
Cash flows from financing activities		
Capital contribution received	900,000	-
Interest paid	(7,602)	(4,498)
Net cash used in financing activities	892,398	(4,498)
Net increase in cash and cash equivalents	511,705	754
Cash and cash equivalents at beginning of year	246,758	246,004
Cash and cash equivalents at the end of year	758,463	246,758
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	758,463	246,758
	758,463	246,758

The notes on pages 11 to 21 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. General information

Agnes b. U.K. Limited is a private limited company, limited by shares and is incorporated in England and Wales. Its registered office is The Broadgate Tower, Third Floor, 20 Primrose Street, London EC2A 2RS.

The company is a ready-to-wear fashion retailer in London and with a parent company in Paris. The brand Agnes b exists worldwide and is represented through more than 12 countries and 247 shops plus an online presence.

The financial statements have been presented in Pounds Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The following principal accounting policies have been applied:

2.2 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Director's report.

Coronavirus will impact the Company's trading activity and turnover. The Company has taken steps to reduce costs where possible in order to mitigate the impact on profitability. The Coronavirus situation is continually evolving and it is difficult at this time for the Directors to make an accurate assessment of the overall impact it will have on the business. The Directors continue to assess the impact of Coronavirus on trading as information becomes available.

The Financial statements have been prepared on the going concern basis. In making this conclusion, the Directors have considered the forecast of the company and the Group, its cash positions and the support offered by b.forever S.C.A. which has confirmed that will provide sufficient funds to the company for a minimum of 12 months from the date of the approval of the Financial Statements should it be required.

2.3 Turnover

Turnover represents the total amount receivable by the company for good supplied to customers excluding value added tax.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

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

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

2.5 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. ~~Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.~~

2.6 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Intangible assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

The estimated useful lives range as follows:

Computer software	-	over 3 years
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.8 Tangible fixed assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

Depreciation is provided on the following basis:

Leasehold land and buildings	- over the lower of the lease term of useful economic life
Fixtures, fittings & equipment	- over the lower of the lease term of useful economic life
Computer equipment	- over 3 years

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

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

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

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

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

2.11 Creditors

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an ~~out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially~~ at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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

2.13 Capital contributions

Capital contributions represent contributions made by the holding company to its wholly-owned subsidiary in order to provide the finance necessary for the subsidiary operations without increasing share capital of the Company. There is no requirement for the Company to bear any servicing cost, nor can it be required to repay the contribution.

The valuation of the capital contribution represents the cash received by the Company as consequence of the capital contribution.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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

In applying the company's accounting policies, the director is required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The director's judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting are recognised in the year in which the estimate is revised, if the revision affects only that year, in the year of the revision and future years, if the revision affects both current and future years.

3.1 Critical judgements in applying the company's accounting policies

Judgement is applied by management when determining the residual values for plant, machinery and equipment. When determining the residual value management aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Determining residual values and useful economic lives of property, plant and equipment

The company depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

4. Turnover

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

5. Operating loss

The operating loss is stated after charging:

	2019 £	2018 £
Amortisation of intangible assets	1,479	271
Depreciation of tangible fixed assets	96,939	90,993
Other operating lease rentals	623,958	595,118
	<u> </u>	<u> </u>

AGNES B. U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Auditors' remuneration

	2019 £	2018 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	17,000	16,000
	<u>17,000</u>	<u>16,000</u>
Fees payable to the Company's auditor in respect of:		
All other services	5,783	5,533
	<u>5,783</u>	<u>5,533</u>

7. Staff costs

	2019 No.	2018 No.
Average staff numbers	22	25
	<u>22</u>	<u>25</u>
	<u>22</u>	<u>25</u>
	2019 £	2018 £
Wages and salaries	609,847	579,330
Social security costs	55,632	60,492
Other pension costs	13,775	13,702
	<u>679,254</u>	<u>653,524</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Taxation

	2019 £	2018 £
Current tax on profits for the year	-	-
	-	-
	-	-
Total current tax	-	-
Deferred tax		
	-	-
Total deferred tax	-	-
	-	-
Taxation on profit	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	(318,095)	(258,988)
Loss multiplied by standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(60,438)	(49,208)
Effects of:		
Expenses not deductible for tax purposes	2,834	545
Capital allowances for year in excess of depreciation	18,228	17,340
Adjust closing deferred tax to average rate of 19.00%	156,070	-
Adjust opening deferred tax to average rate of 19.00%	(151,925)	-
Deferred tax not recognised	35,231	31,323
Total tax charge for the year	-	-

AGNES B. U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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10. Taxation (continued)**Factors that may affect future tax charges****Deferred taxation**

Deferred taxation consists of assets not recognised in the accounts. These deferred tax assets have been calculated at the normal UK company tax rate of 19% (2018: 17% as substantively enacted by balance sheet date) being the rate they are expected to be utilised at.

	2019 £	2018 £
Assets not recognised		
Unutilised tax losses	1,472,641	1,285,200
Depreciation in excess of capital allowances	6,703	6,115

A potential deferred tax has not been recognised on the grounds that there is insufficient certainty on the timing of future profits against which the asset could be utilised. Unrecognised deferred taxation assets could be recoverable in the event and to the extent of a return to taxable profits in the future.

11. Intangible assets

	Computer software £
Cost	
At 1 January 2019	4,440
At 31 December 2019	4,440
Amortisation	
At 1 January 2019	271
Charge for the year	1,479
At 31 December 2019	1,750
Net book value	
At 31 December 2019	2,690
At 31 December 2018	4,169

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12. Tangible fixed assets

	Land and buildings leasehold £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost				
At 1 January 2019	972,349	140,588	65,653	1,178,590
Additions	5,500	-	1,740	7,240
At 31 December 2019	<u>977,849</u>	<u>140,588</u>	<u>67,393</u>	<u>1,185,830</u>
Depreciation				
At 1 January 2019	763,759	140,588	65,653	970,000
Charge for the year	95,935	-	1,004	96,939
At 31 December 2019	<u>859,694</u>	<u>140,588</u>	<u>66,657</u>	<u>1,066,939</u>
Net book value				
At 31 December 2019	<u>118,155</u>	<u>-</u>	<u>736</u>	<u>118,891</u>
At 31 December 2018	<u>208,590</u>	<u>-</u>	<u>-</u>	<u>208,590</u>

13. Debtors: Amounts falling due within one year

	2019 £	2018 £
Trade debtors	109,547	162,526
Other debtors	4,380	-
Prepayments and accrued income	184,813	184,578
	<u>298,740</u>	<u>347,104</u>

AGNES B. U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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14. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	758,463	246,758
	<u>758,463</u>	<u>246,758</u>

15. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	3,218	7,823
Amounts owed to group undertakings	845,444	852,806
Amounts owed to other participating interests	-	30,034
Other taxation and social security	211,433	327,695
Other creditors	-	50,221
Accruals and deferred income	26,285	27,543
	<u>1,086,380</u>	<u>1,296,122</u>

Amounts owed to group are unsecured, bear the Official Republic of France long term interest rate and are repayable on demand.

16. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2,100,000 (2018: 2,100,000) Ordinary shares shares of £1.00 each	2,100,000	2,100,000

Ordinary shares carry one vote per share and carry a right to dividends as and when declared by the company.

17. Reserves**Profit and loss account**

This reserve includes cumulative profit and loss.

Capital contribution reserve

The capital contribution reserve represents the contribution received from the parent company.

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18. Pension commitments

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 £13,775 (2018: £13,702) during the year. Contributions totaling £1,901 (2018: £1,929) were payable to the fund at the year end and are disclosed within other creditors in note 15.

19. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	331,930	455,100
Later than 1 year and not later than 5 years	300,000	627,550
	<u>631,930</u>	<u>1,082,650</u>

20. Related party transactions

The company is a wholly owned subsidiary of b.forever S.C.A. and as such has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly-owned members of the group.

21. Post balance sheet events

On 30 January 2020, the World Health Organization (WHO) declared COVID-19 as a 'Public Health Emergency of International Concern'. The director has considered the impact of the outbreak within the Director's report on page 2. The director has treated this as a non-adjusting event and as such the accounting estimates and judgments as disclosed within note 1 of the financial statements have not been updated to reflect this. The going concern basis of preparation is considered appropriate for the preparation of the financial statements as per note 1.

22. Controlling party

The immediate and ultimate parent company is b.forever S.C.A., a company incorporated in France. Mrs Agnes Trouble is the controlling shareholder of b.forever S.C.A. which is the largest and smallest group of which the company is a member. Group accounts are available at Greffe du Tribunal de Commerce de Paris, 1 Quai de la Corse - 75181 - Paris, France.