

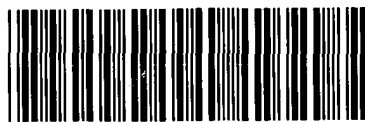
Company Registration No. 04144080 (England and Wales)

Garrard Holdings Limited

**Annual report and financial statements
for the year ended 31 March 2019**

Amended

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Garrard Holdings Limited

Company information

Directors	Stephen Webster Stephanie Bond
Company number	04144080
Registered office	24 Albemarle Street London W1S 4HT
Independent auditor	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	HSBC Bank plc 60 Queen Victoria Street London EC4N 4TR
Solicitors	DAC Beachcroft LLP Portwall Place Portwall Lane Bristol BS1 9HS

Garrard Holdings Limited

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Garrard Holdings Limited

Strategic report

For the year ended 31 March 2019

The directors present the strategic report for the year ended 31 March 2019.

Results and dividends

The operating loss before intercompany provision for the financial year, after taxation, amounted to £557,257 (2018: £1,156,443) which will be deducted from reserves. The loss demonstrates a 52% improvement compared to the prior year due to a focus on improving cost control within the company.

The directors do not recommend the payment of a dividend (2018: £nil).

Principal activities & review of the business

The company acts as a holding company for the Garrard brand whose principal activities during the year have been, and will continue to be, those of goldsmiths, silversmiths, jewellers and retailers of jewellery and luxury goods predominantly within the UK and globally as part of the strategy of development.

Future developments

The directors expect the challenging trading environment to continue throughout 2019 and 2020; however remain confident that the strategy that they are implementing, in particular the focus on expanding worldwide partnership agreements and increasing UK retail opportunities, will deliver improved revenues and return the company to profitability in future years.

Policy on financial risk management

The company is exposed to a variety of risks and uncertainties which may have a financial impact on the company and which also impact on the achievement of social, economic and environmental objectives. These risks include strategic, commercial, operational and financial risks and are further categorised into risk areas to facilitate consolidated risk reporting across the Delltrade group.

Foreign exchange

UK Sterling is the functional currency of the company. However, the company has substantial transactions in US Dollars, which expose the company to fluctuations in foreign exchange rates. To manage this risk the company operates various US Dollar bank accounts and wherever possible matches all incoming and outgoing USD currency payments, thereby keeping its currency risk exposure as low as possible.

Interest rate and liquidity risk

The company has no significant interest rate risk as at 31 March 2019 or 2018. Loan finance from shareholders is on a fixed basis. Payables are generally due to mature from one to three months. Liquidity risk is managed through short and medium- term forecasting, which forms the basis to schedule loan finance in order to meet funding needs. Significant actions to limit operational cost and manage working capital levels have been taken in order to ensure that liquidity is maintained going forward.

Garrard Holdings Limited

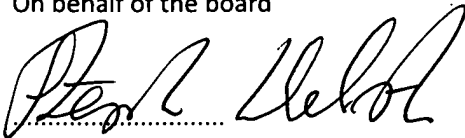
Strategic report (continued)

For the year ended 31 March 2019

Brexit

Given the ongoing lack of clarity surrounding the United Kingdom's planned exit from the European Union, the Director's cannot currently quantify any possible Brexit related risks but the continue to monitor the situation closely and will respond to any arising risk as necessary.

On behalf of the board

A handwritten signature in black ink, appearing to read 'Stephen Webster', written over a dotted line.

Stephen Webster

Director

4.03.20

Garrard Holdings Limited

Directors' report

For the year ended 31 March 2019

The directors present their annual report and revised financial statements for the year ended 31 March 2019.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Stephen Webster
Stephanie Bond

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

Saffery Champness LLP have expressed their willingness to continue in office.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the revised financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Garrard Holdings Limited

Directors' report (continued)

For the year ended 31 March 2019

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

The directors believe that, after making enquiries of their ultimate parent undertaking, Yucaipa American Alliance Fund II, LP and its Parallel Fund, they have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group has obtained a letter from its ultimate parent undertaking confirming that they will continue to provide or arrange to provide resources to enable them to continue that financial support, for a period of at least 12 months from date of signing of these financial statements.

Accordingly, the revised financial statements have been prepared on a going concern basis.

Amendment of the financial statements and prior year adjustment

These revised financial statements replace the original financial statements for the year ended 31 March 2019 as approved on 18 December 2019. See note 2 for further details on the amendment to the financial statements and note 17 for details on the corresponding prior period adjustments.

On behalf of the board



Stephen Webster

Director

Date: 4-03-20

Opinion

We have audited the revised financial statements of Garrard Holdings Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the revised financial statements, including a summary of significant accounting policies. These revised financial statements replace the original financial statements approved by the directors on 18 December 2019. 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). The revised financial statements have been prepared under The Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved.

In our opinion the revised financial statements:

- give a true and fair view, seen as at the date the original financial statements were approved, of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice seen as at the date the original financial statements were approved; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

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 revised 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 - revision of defective accounts

In forming our opinion on the revised financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 2 to these revised financial statements concerning the need to reverse a number of intercompany waivers and restore the corresponding intercompany balances, this following the determination that intercompany deeds of waiver are void and of no legal effect.

The original financial statements were approved on 18 December 2019 and our previous report was signed on that date. We have not performed a subsequent events review for the period from the date of our previous report to the date of this report.

Independent auditor's report (continued)
To the member of Garrard Holdings 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 directors' use of the going concern basis of accounting in the preparation of the revised financial statements is not appropriate; or
- the directors have not disclosed in the revised 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 original financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the revised financial statements and our auditor's report thereon. Our opinion on the revised 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 revised financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised 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 revised 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 our audit:

- the information given in the strategic report and the revised directors' report for the financial year for which the revised financial statements are prepared is consistent with the revised financial statements; and
- the strategic report and revised directors' report have been prepared in accordance with applicable legal requirements; and
- the original financial statements for the year ended 31 March 2019 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in note 2 to these revised financial statements.

Independent auditor's report (continued)
To the member of Garrard Holdings Limited

Matters on which we are required to report by exception

In the 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 strategic report and the revised directors' report.

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 revised 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.

Responsibilities of directors

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

In preparing the revised 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 either 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 revised financial statements

Our objectives are to obtain reasonable assurance about whether the revised 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 revised financial statements.

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

Garrard Holdings Limited

Independent auditor's report (continued)
To the member of Garrard Holdings Limited

Use of our report

This report is made solely to the company's member in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the company's member 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 member for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Roger Weston (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

6/3/2020

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Garrard Holdings Limited

**Statement of comprehensive income
For the year ended 31 March 2019**

		2019	2018
	Notes	£	as restated £
Turnover		-	-
Administrative expenses		(1,456,541)	(1,551,140)
Other operating income		899,284	394,697
		<u> </u>	<u> </u>
Operating loss before intercompany loan waivers and provisions		(557,257)	(1,156,443)
Intercompany loan waiver	4	-	-
Intercompany loan provision	4	(353,633)	(158,229)
		<u> </u>	<u> </u>
Operating loss	5	(910,890)	(1,314,672)
		<u> </u>	<u> </u>
Loss before taxation		(910,890)	(1,314,672)
Tax on loss	6	-	-
		<u> </u>	<u> </u>
Loss for the financial year		(910,890)	(1,314,672)
		<u> </u>	<u> </u>
Total comprehensive income for the year		<u><u>(910,890)</u></u>	<u><u>(1,314,672)</u></u>

The Income Statement has been prepared on the basis that all operations are continuing operations.

Garrard Holdings Limited

Statement of financial position

As at 31 March 2019

		2019		2018
	Notes	£	£	as restated £
Fixed assets				
Intangible assets	7	18,520		26,503
Tangible assets	8	1,436,198		1,791,924
		<u>1,454,718</u>		<u>1,818,427</u>
Current assets				
Debtors falling due after more than one year	11	304,376	304,376	
Debtors falling due within one year	11	271,624	20,439	
		<u>576,000</u>	<u>324,815</u>	
Creditors: amounts falling due within one year	12	<u>(46,792,493)</u>	<u>(45,994,127)</u>	
Net current liabilities		<u>(46,216,493)</u>		<u>(45,669,312)</u>
Total assets less current liabilities		<u>(44,761,775)</u>		<u>(43,850,885)</u>
Provisions for liabilities	13	<u>(764,153)</u>		<u>(764,153)</u>
Net liabilities		<u><u>(45,525,928)</u></u>		<u><u>(44,615,038)</u></u>
Capital and reserves				
Called up share capital	14	25,446,647		25,446,647
Profit and loss reserves		(70,972,575)		(70,061,685)
Total equity/(deficit)		<u><u>(45,525,928)</u></u>		<u><u>(44,615,038)</u></u>

The financial statements were approved by the board of directors and authorised for issue on 4.03.20 and are signed on its behalf by:



Stephen Webster
Director

Company Registration No. 04144080

Garrard Holdings Limited

**Statement of changes in equity
For the year ended 31 March 2019**

	Share capital	Profit and loss reserves	Total
	£	£	£
As restated for the period ended 31 March 2018:			
Balance at 1 April 2017	25,446,647	(68,747,013)	(43,300,366)
Year ended 31 March 2018:			
Loss and total comprehensive income for the year (as restated)	-	(1,314,672)	(1,314,672)
Balance at 31 March 2018 (as restated)	25,446,647	(70,061,685)	(44,615,038)
Year ended 31 March 2019:			
Loss and total comprehensive income for the year (as revised)	-	(910,890)	(910,890)
Balance at 31 March 2019 (as revised)	25,446,647	(70,972,575)	(45,525,928)

1 Accounting policies

Company information

Garrard Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is 24 Albemarle Street, London, W1S 4HT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value, where applicable. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has also taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006, and these financial statements therefore present information about the company as an individual undertaking and not its group.

The financial statements of the company are consolidated in the financial statements of Delltrade Limited, a company incorporated in England and Wales. These consolidated financial statements are available from its registered office, 24 Albemarle Street, London, W1S 4HT.

1 Accounting policies (continued)

1.2 Going concern

The directors believe that, after making enquiries of their ultimate parent undertaking, Yucaipa American Alliance Fund II, LP and its Parallel Fund, they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The parent company, Delltrade Limited has obtained a letter from its ultimate parent undertaking confirming that they will continue to provide or arrange to provide resources to enable them to continue that financial support, for a period of at least 12 months from date of signing of these financial statements.

Accordingly, the financial statements have been prepared on a going concern basis.

1.3 Intangible fixed assets other than goodwill

Trademark costs capitalised relate to external costs in obtaining patents and trademark protection globally.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks	10 years straight line
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1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Shorter of the lease term or useful economic life
Plant and equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies (continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Notes to the financial statements (continued)
For the year ended 31 March 2019

1 Accounting policies (continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1 Accounting policies (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1 Accounting policies (continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.-

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Amendment to the financial statements

These revised financial statements replace the original financial statements for the year ended 31 March 2019 and approved on 18 December 2019. They are now the statutory financial statements for the period concerned.

They have been prepared as at the date of the original accounts, and not as at the date of the revision, and accordingly do not deal with events between those dates.

The requirement for revised financial statements arises from the purported waiver of various group intercompany loan balances in 2018 and 2019. The waivers were reflected in the relevant companies' audited and filed accounts for the years ended 31 March 2018 and 31 March 2019, alongside a reversal of corresponding intercompany loan provisions. However, certain group companies did not have sufficient distributable profits to cover the amounts waived. Accordingly, the waivers of these balances were void and of no legal effect. On this basis, the relevant loan balances remain in place and the accounts for the companies and periods concerned have been amended and restated to reflect that provision.

The amendments for both the current and prior years are set out below.

Changes to the statement of financial position for the current period

	As previously reported	Amendment	As amended at 31 Mar 2019
	£		£
Debtors			
Amounts due from group undertakings	3,003,652	2,832,824	5,836,476
Provision of amounts due from group undertakings	(3,003,652)	(2,832,824)	(5,836,476)
	<u> </u>	<u> </u>	<u> </u>
Creditors due within one year			
Amounts due to group undertakings	(3,556,511)	(42,811,033)	(46,367,544)
	<u> </u>	<u> </u>	<u> </u>
Capital and reserves			
Profit and loss	(28,161,542)	(42,811,033)	(70,972,575)
	<u> </u>	<u> </u>	<u> </u>

Notes to the financial statements (continued)

For the year ended 31 March 2019

2 Amendment to the financial statements (continued)**Changes to the income statement for the current period**

	As previously reported	Adjustment	As amended to 31 Mar 2019
Period ended 31 March 2019	£	£	£
Intercompany loan waiver	385,210	(385,210)	-
Intercompany loan reversal/(provision)	(71,665)	(281,968)	(353,633)
Loss for the financial period	(243,712)	(667,178)	(910,890)

Reconciliation of changes in loss for the current financial period

	2019 £
Amendments to current year	
Reversal of intercompany loan waiver to Stephen Webster Limited	281,968
Increase in provision of intercompany loan with Stephen Webster Limited	(281,968)
Reversal of intercompany loan waiver from Garrard & Co. Limited	(667,178)
Total amendments	(667,178)
Loss as previously reported	(243,712)
Loss as amended	(910,890)

Changes to the statement of financial position for the previous period

	As previously reported	Adjustment	As restated at 31 Mar 2018
	£	£	£
Debtors			
Amounts due from group undertakings	2,931,987	2,550,856	5,482,843
Provision of amounts due from group undertakings	(2,931,987)	(2,550,856)	(5,482,843)
Creditors due within one year			
Amounts due to group undertakings	(3,323,210)	(42,143,855)	(45,467,065)
Capital and reserves			
Profit and loss	(27,917,830)	(42,143,855)	(70,061,685)

Notes to the financial statements (continued)
For the year ended 31 March 2019

2 Amendment to the financial statements (continued)

Changes to the income statement for the previous period

	As previously reported	Adjustment	As restated to 31 Mar 2018
Period ended 31 March 2018	£	£	£
Intercompany loan waiver	39,592,999	(39,592,999)	-
Intercompany loan reversal/(provision)	2,392,627	(2,550,856)	(158,229)
Profit/(loss) for the financial period	40,829,183	(42,143,855)	(1,314,672)
	<u> </u>	<u> </u>	<u> </u>

Reconciliation of changes in profit/(loss) for the previous financial period

	2018 £
Adjustments to prior year	
Reversal of intercompany loan waiver to Stephen Webster Limited	2,550,856
Increase in provision of intercompany loan with Stephen Webster Limited	(2,550,856)
Reversal of intercompany loan waiver from Garrard & Co. Limited	(42,143,855)
	<u> </u>
Total adjustments	(42,143,855)
Profit as previously reported	40,829,183
	<u> </u>
Loss as adjusted	(1,314,672)
	<u> </u>

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Deferred tax assets

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of future tax planning strategies. Management has deemed that a deferred tax asset should not be recognised for the value of tax losses carried forward due to the uncertainty regarding the level and timing of future taxable profits against which these losses can be utilised.

Intangible assets (Trademarks)

Trademark costs capitalised relate to external costs incurred in obtaining patents and trademark protection globally. Trademarks are amortised on a straight line basis over 10 years. Management has considered it to be reasonable to amortise the intangible assets over a 10 year period using the straight line method because this amount of time is considered to conservatively reflect the durability of the trademarks. Management measures the durability of each trademark by reviewing the intended use and future renewals at the end of each reporting period.

Garrard Holdings Limited**Notes to the financial statements (continued)****For the year ended 31 March 2019****4 Intercompany loan waiver**

	2019	2018
	£	as restated £
Intercompany loan waivers	-	-
Intercompany loan (provision)/reversal	(353,633)	(158,229)
	<u>(353,633)</u>	<u>(158,229)</u>

Intercompany loan provision and reversal

As at 31 March 2019, Garrard Holdings Limited had fully provided for intercompany loans of £5,836,476 (2018 as restated: £5,482,843). During the year the provision against the loan to Stephen Webster, Inc. increased by £322,915 and the provision against the loan to Stephen Webster Limited increased by £30,718.

Amendment and prior period adjustment

As disclosed in note 2 these financial statements have been amended to remove the effect of intercompany loan waivers which have subsequently been declared void. The impact of these amendments on the prior year figures is disclosed in note 17.

5 Operating loss

	2019	2018
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange losses/(gains)	45,613	(83,981)
Fees payable to the company's auditor for the audit of the company's financial statements	53,750	48,500
Depreciation of owned tangible fixed assets	424,287	458,562
Amortisation of intangible assets	7,983	13,749
	<u>485,633</u>	<u>(16,170)</u>

The audit fees payable represent the fees of £53,750 (2018: £48,500) for the Delltrade Group and its subsidiary companies, the costs of which are borne by Garrard Holdings Limited. There were non-audit service fees of £8,750 (2018: £8,950).

The costs for the directors' emoluments for qualifying services performed are trivial and are borne by an affiliate of Yucaipa American Alliance Fund II, LP, the ultimate parent.

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £45,613 (2018 - £83,981).

Notes to the financial statements (continued)
For the year ended 31 March 2019

6 Taxation

A deferred tax asset has not been recognised on tax losses carried forward as, in the opinion of the Directors, it is unlikely that these losses will reverse in the foreseeable future.

The total unrecognised deferred tax asset for the company as at 31 March 2019 is £5,264,103 (2018: £4,889,634)

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 as restated £
Loss before taxation	(910,890)	(1,314,672)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(173,069)	(249,788)
Tax effect of expenses that are not deductible in determining taxable profit	329	213
Unutilised tax losses carried forward	27,547	-
Permanent capital allowances in excess of depreciation	14,410	(232,619)
Depreciation on assets not qualifying for tax allowances	63,588	63,267
Other permanent differences	67,195	30,064
Losses surrendered as group relief	-	388,863
Taxation charge for the year	-	-

Garrard Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 March 2019

7 Intangible fixed assets

	Trademarks
	£
Cost	
At 1 April 2018	163,983
Disposals	(95,844)
At 31 March 2019	68,139
Amortisation and impairment	
At 1 April 2018	137,480
Amortisation charged for the year	7,983
Disposals	(95,844)
At 31 March 2019	49,619
Carrying amount	
At 31 March 2019	18,520
At 31 March 2018	26,503

8 Tangible fixed assets

	Leasehold land and buildings	Plant and Fixtures and equipment	fittings	Total
	£	£	£	£
Cost				
At 1 April 2018	6,496,105	12,487	1,028,084	7,536,676
Additions	5,759	-	62,802	68,561
Disposals	-	-	(756,060)	(756,060)
At 31 March 2019	6,501,864	12,487	334,826	6,849,177
Depreciation and impairment				
At 1 April 2018	4,917,130	7,804	819,818	5,744,752
Depreciation charged in the year	335,150	3,122	86,015	424,287
Eliminated in respect of disposals	-	-	(756,060)	(756,060)
At 31 March 2019	5,252,280	10,926	149,773	5,412,979
Carrying amount				
At 31 March 2019	1,249,584	1,561	185,053	1,436,198
At 31 March 2018	1,578,975	4,683	208,266	1,791,924

Garrard Holdings Limited

Notes to the financial statements (continued)
For the year ended 31 March 2019

9 Fixed asset investments

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2018 & 31 March 2019	19,342,268
Impairment	
At 1 April 2018 & 31 March 2019	19,342,268
Carrying amount	
At 31 March 2019	-
At 31 March 2018	-

10 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Garrard and Co. Limited	24 Albemarle Street, London, W1S 4HT	Trading	Ordinary	100.00	-
Garrard Trading Limited	24 Albemarle Street, London, W1S 4HT	Dormant	Ordinary	-	100.00

11 Debtors

	2019	2018 as restated
Amounts falling due within one year:	£	£
Other debtors	-	10,697
Prepayments and accrued income	271,624	9,742
	<u>271,624</u>	<u>20,439</u>

Garrard Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 March 2019

11 Debtors (continued)

	2019	2018
		as restated
Amounts falling due after more than one year:	£	£
Other debtors	304,376	304,376
	<u> </u>	<u> </u>
Total debtors	576,000	324,815
	<u> </u>	<u> </u>

Amounts owed by group undertakings is £5,836,476 (2018 as restated: £5,482,843) which has been provided in full at year end on the basis that it is not recoverable.

Per the original financial statements, during the year intercompany loan balances of £281,968 (2018: £2,550,856) due from fellow group entities were waived. These waivers were subsequently determined to be void as detailed in note 2. These loan balances have therefore been reinstated in the amended accounts, with a prior year adjustment also included as detailed in note 17. All intercompany loans reinstated were subsequently provided against in full.

HSBC Plc hold a guarantee dated 2 April 2008 for £303,750 in favour of Albemarle Properties Limited in relation to other debtors due in over one year.

Garrard Holdings Limited**Notes to the financial statements (continued)****For the year ended 31 March 2019****12 Creditors: amounts falling due within one year**

	2019	2018 as restated
	£	£
Trade creditors	109,695	120,143
Amounts owed to group undertakings	46,367,544	45,467,065
Other creditors	34,117	34,117
Accruals and deferred income	281,137	372,802
	<u>46,792,493</u>	<u>45,994,127</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Per the original financial statements, during the year intercompany loan balances of £667,178 (2018: £42,143,855) owed to fellow group entities were waived. These waivers were subsequently determined to be void as detailed in note 2. These loan balances have therefore been reinstated in the amended accounts, with a prior year adjustment also included as detailed in note 17.

In March 2011, an English law governed debenture and a Californian law governed share pledge were entered into between Delltrade Limited and its subsidiaries as borrowers and Yucaipa American Alliance Fund II, LP ('Yucaipa') as lender, to provide further security in favour of Yucaipa in relation to the existing loan agreement and any future borrowings. This transaction resulted in the shareholder funding being secured on the assets of the company. Interest relating to this balance is charged at the rate of 15% per annum compounded monthly with a maturity date at 31 March 2020. This interest expense is borne by the parent undertaking.

13 Provisions for liabilities

2019	2018
£	£
<u>764,153</u>	<u>764,153</u>

The provision relates to dilapidations on properties held under an operating lease arrangement. The dilapidations provision is expected to be utilised in line with the expiration of the operating lease.

Movements on provisions:

	£
At 1 April 2018 and 31 March 2019	<u>764,153</u>

Garrard Holdings Limited

Notes to the financial statements (continued)

For the year ended 31 March 2019

14 Share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
25,447,000 Ordinary shares of £1 each	25,446,647	25,446,647

Each share is entitled to one vote in any circumstances. Each share is entitled pari passu to dividend payments or any other distribution. Each share is entitled pari passu to participate in a distribution arising from a winding up of the company. The shares are not redeemable.

15 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	1,037,500	1,000,000
Between two and five years	2,462,500	3,500,000
	<u>3,500,000</u>	<u>4,500,000</u>

The operating cost is borne by Garrard & Co. Limited while the commitment is held by Garrard Holdings Limited.

16 Controlling party

At the balance sheet date, the immediate holding company was Garrard (UK) Group Limited. Delltrade Limited is the intermediate parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 March 2019. These consolidated financial statements are available from the registered office, 24 Albemarle Street, London, W1S 4HT.

The ultimate parent undertaking and controlling party is Yucaipa American Alliance Fund II, LP and Parallel Fund, a limited partnership formed in the United States.

17 Prior period adjustment

As detailed in note 2, the financial statements have been amended and the comparative figures have been restated to restore relevant intercompany balances and adjust the intercompany provision. See note 2 for details of the adjustments made to the prior period.