

# A.S.H.S. USA Limited

Report and Financial Statements

Year Ended

26 December 2015

Company Number 04154536

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# **A.S.H.S. USA Limited**

## **Report and financial statements for the year ended 26 December 2015**

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### **Contents**

#### **Page:**

1	Report of the directors
3	Independent auditor's report
5	Statement of comprehensive income
6	Statement of financial position
7	Statement of changes in equity
8	Notes forming part of the financial statements

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### **Directors**

A S Seymour  
L J M Ephson  
H J Seymour  
H E Wright

### **Secretary and registered office**

H J Seymour, The Stable Block, The Plough Brewery, Wandsworth Road, London, England, SW8 3JX

### **Company number**

04154536

### **Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

# A.S.H.S. USA Limited

## Report of the directors for the year ended 26 December 2015

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The directors present their report together with the audited financial statements for the year ended 26 December 2015.

### Results and dividends

The statement of comprehensive income is set out on page 5 and shows the loss for the year.

### Principal activities, trading review and future developments

The principal activity of the company in the year under review was that of the sale of luxury handbags and fashion accessories through its two stores in New York and California. During 2012, the subsidiary, Madison LLC signed a lease at 795 Madison Avenue in New York. This 2,200 sqft store was the first location outside the UK to offer the full Anya Hindmarch Bespoke service, alongside the brand's seasonal and continuative products. The store opened in late August 2013 and was the Company's first major store initiative to feature the new store design concept and was designed to raise visibility of the brand in the US market and to drive selective distribution expansion.

### Directors

The directors of the company during the year and since year end were:

A S Seymour  
L J M Ephson  
H J Seymour  
J McArthur (resigned 3 March 2015)  
H E Wright (appointed 3 June 2015)

### Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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;
- 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.

# A.S.H.S. USA Limited

## Report of the directors for the year ended 26 December 2015 (*continued*)

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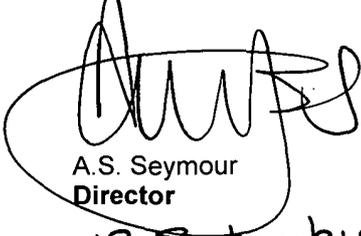
### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487(2), they will automatically be re-appointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

In preparing this directors' report advantage has been taken of the small companies' exemption.

### On behalf of the Board



A.S. Seymour  
Director

13 September 2016  
Date

# A.S.H.S. USA Limited

## Independent auditor's report

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### TO THE MEMBERS OF A.S.H.S. USA Limited

We have audited the financial statements of A.S.H.S. USA Limited for the year ended 26 December 2015 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

### Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 26 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matters prescribed by the Companies Act 2006

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

# A.S.H.S. USA Limited

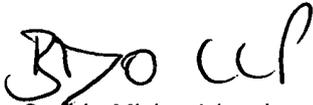
## Independent auditor's report (*continued*)

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### Matters on which we are required to report by exception

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

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



*Sophia Michael (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom*

Date *29 September 2016*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## A.S.H.S. USA Limited

### Statement of comprehensive income for the year ended 26 December 2015

	Note	2015 £000	2014 £000
<b>Turnover</b>	2	2,072	1,618
Cost of sales		(550)	(473)
<b>Gross profit</b>		<u>1,522</u>	<u>1,145</u>
Administrative expenses		(2,174)	(1,970)
<b>Operating loss</b>	3	(652)	(825)
Interest payable and similar charges		-	(4)
<b>Loss on ordinary activities before taxation</b>		<u>(652)</u>	<u>(829)</u>
Taxation charge on loss from ordinary activities	4	(3)	(2)
<b>Loss on ordinary activities after taxation</b>		<u>(655)</u>	<u>(831)</u>

All amounts relate to continuing activities.

The notes on pages 8 to 13 form part of these financial statements.

# A.S.H.S. USA Limited

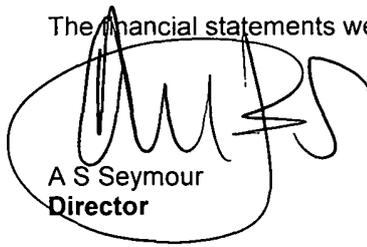
## Statement of financial position at 26 December 2015

<i>Company number 04154536</i>	Note	2015 £000	2015 £000	2014 £000	2014 £000
<b>Fixed assets</b>					
Tangible assets	5		1,233		1,409
Fixed asset investment	6		-		-
			<u>1,233</u>		<u>1,409</u>
<b>Current assets</b>					
Stocks		538		384	
Debtors	7	292		154	
Cash at bank and in hand		511		132	
		<u>1,341</u>		<u>670</u>	
<b>Creditors: amounts falling due within one year</b>	8	<b>(6,360)</b>		<b>(830)</b>	
<b>Net current liabilities</b>			<b>(5,019)</b>		<b>(160)</b>
<b>Total assets less current liabilities</b>			<b>(3,786)</b>		<b>1,249</b>
<b>Creditors: amounts falling due after more than one year</b>	9		-		<b>(4,380)</b>
			<b>(3,786)</b>		<b>(3,131)</b>
<b>Capital and reserves</b>					
Called up share capital	10		-		-
Profit and loss account			<b>(3,786)</b>		<b>(3,131)</b>
<b>Shareholders' deficit</b>			<b>(3,786)</b>		<b>(3,131)</b>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on

13 September  
2016

  
A S Seymour  
Director

The notes on pages 8 to 13 form part of these financial statements.

# A.S.H.S. USA Limited

## Statement of changes in equity for the year ended 26 December 2015

	Share capital £000	Profit and loss account £000	Total equity £000
<b>1 January 2014</b>	-	(2,300)	(2,300)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(831)	(831)
<b>Total comprehensive income for the year</b>	-	(3,131)	(3,131)
<b>Contributions by and distributions to owners</b>			
Issue of preference shares	-	-	-
<b>1 January 2015</b>	-	(3,131)	(3,131)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(655)	(655)
<b>Total comprehensive income for the year</b>	-	(655)	(655)
<b>Contributions by and distributions to owners</b>			
Exercise of share options		-	-
<b>Contributions by and distributions to owners</b>		-	-
<b>26 December 2015</b>	-	(3,786)	(3,786)

The notes on pages 8 to 13 form part of these financial statements.

# A.S.H.S. USA Limited

## Notes forming part of the financial statements for the year ended 26 December 2015

### 1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with FRS102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

The directors have taken the option within section 390 of the Companies Act 2006 to prepare their financial statements up to a date 7 days either side of the company's accounting reference date of 26 December 2015, and these accounts therefore cover the period from 1 January 2015 to 26 December 2015 (2014 – 1 January 2014 to 31 December 2014).

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

The following principal accounting policies have been applied.

#### **Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRD 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29.

This information is included in the consolidated financial statements of A.S.H.S Limited as at 26 December 2015 and these financial statements may be obtained from the Registrar of Companies.

#### *Going concern*

The directors have received confirmation from A.S.H.S. Limited, the ultimate parent company that they will continue to provide on-going financial support to the business through their planned period of investment facilitating growth and expansion in the US market. In addition to this financial support, A.S.H.S Limited will not recall the intercompany balance payable. The preparation of the financial statements on a going concern basis is therefore appropriate.

#### *Turnover*

Turnover represents net invoiced sales of goods, excluding sales tax.

#### *Depreciation*

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. It is calculated at the following rates:

- |                       |   |   |
|-----------------------|---|---|
| Short leasehold       | - | Depreciation over the period of the lease and written off over period of the lease. |
| Fixtures and fittings | - | 25% on cost   |

#### *Stocks*

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

# A.S.H.S. USA Limited

## Notes forming part of the financial statements for the year ended 26 December 2015 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Leasing commitments*

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease. Reverse premiums and similar incentives received to enter into operating lease agreements are released to the profit and loss account on a straight-line basis over the term of the lease.

#### *Basis of consolidation*

The company is exempt from preparing consolidated accounts for its group under Section 400 of the Companies Act 2006, as the company's ultimate parent A.S.H.S. Limited is incorporated in the United Kingdom and prepares group financial statements. These financial statements present information about the company only and not the group which it heads.

#### ***Judgements in applying accounting policies and key sources of estimation***

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. No assets were found to require an impairment.

### 2 Turnover

Turnover arises solely within the United States of America.

# A.S.H.S. USA Limited

## Notes forming part of the financial statements for the year ended 26 December 2015 (continued)

3 Operating loss	2015 £000	2014 £000
This has been arrived at after charging:		
Depreciation of tangible assets	202	174
Hire of other assets - operating leases	897	917
	2102	2091

The audit fee and directors' fees have been borne by the ultimate parent company A.S.H.S. Limited.

4 Taxation on loss on ordinary activities	2015 £000	2014 £000
Analysis of charge in the year		
<i>UK corporation tax</i>		
Overseas tax	3	3
Adjustments in respect of prior periods	-	(1)
	3	2
Total current tax	3	2
	3	2
Taxation on loss on ordinary activities	3	2

The tax assessed for the year differs to the standard rate of corporation tax in the UK applied to the loss before tax. The differences are explained below:

	2015 £000	2014 £000
Loss on ordinary activities before tax	(652)	(829)
Tax at 20.25% (2014 - 21.49%) thereon	(132)	(178)
Effect of:		
Income not taxable for tax purposes	(1)	-
Capital allowances in deficit of depreciation	-	23
Depreciation on assets not eligible for capital allowances	13	10
Overseas tax	3	3
Deferred tax not recognised not recognised	62	144
Adjust deferred tax to average rate of 20.25%	55	-
Adjustment to tax charge in respect of prior periods	-	(1)
Other short term timing differences	3	1
	3	2

Deferred tax assets of £489,516 (2014 - £424,361) have not been recognised due to uncertainty of taxable profits in the foreseeable future.

The asset comprises of £54,806 (2014 - £37,549) in relation to fixed asset timing differences and £434,710 (2014 - £386,812) in relation to tax losses.

# A.S.H.S. USA Limited

Notes forming part of the financial statements  
for the year ended 26 December 2015 (*continued*)

5 Tangible assets	Short leasehold £	Fixtures and fittings £	Total £
<i>Cost</i>			
At 1 January 2015	1,774	156	1,930
Additions	19	7	26
	1,793	163	1,956
<i>Depreciation</i>			
At 1 January 2015	456	65	521
Charge for the year	160	42	202
	616	107	723
<i>Net book value</i>			
At 26 December 2015	1,177	56	1,233
At 31 December 2014	1,318	91	1,409

## 6 Fixed asset investments

	Group undertakings £
<i>Cost</i>	
At 1 January 2015 and 26 December 2015	-

<i>Subsidiary undertakings</i>	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
ASHS Nevada LLC	United States of America	100%	Dormant
Madison LLC	United States of America	100%	Leasing holding company

# A.S.H.S. USA Limited

Notes forming part of the financial statements  
for the year ended 26 December 2015 (continued)

## 7 Debtors

	2015 £000	2014 £000
Other debtors	171	24
Prepayments and accrued income	121	131
	292	154
	292	154

All amounts fall due for payment within one year.

## 8 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	52	68
Other creditors	755	743
Taxation and social security	15	17
Corporation tax	5	2
Amounts owing to group undertakings	5,533	-
	6,360	830
	6,360	830

## 9 Creditors: amounts falling due after more than one year

	2015 £	2014 £
Amounts owing to group undertakings	-	4,380
	-	4,380
	-	4,380

## 10 Share capital

	2015 Number	Allotted, issued and fully paid		2014 £
		2014 Number	2015 £	
Ordinary shares of £1 each	1	1	1	1
	1	1	1	1
	1	1	1	1

# A.S.H.S. USA Limited

Notes forming part of the financial statements  
for the year ended 26 December 2015 (continued)

## 11 Commitments under operating leases

The company had minimum lease payments under non-cancellable operating leases as set out below:

	2015 Land and buildings £'000	2014 Land and buildings £'000
Not later than one year	881	881
Later than one year and not later than five years	4,126	4,093
Later than five years	2,274	3,147

## 12 Other financial commitments

The company entered into a cross guarantee in favour of HSBC Bank plc with A.S.H.S. Limited and ASHS East Coast Limited. The possibility of an outflow in respect of these guarantees is considered remote and so the effect is not quantified.

## 13 Related party transactions

The company has taken advantage of the exemption not to disclose any transactions with entities that are included in the consolidated financial statements on the grounds that 100% of the voting rights in the company are controlled within that group and the company is included within those financial statements.

## 14 Ultimate parent company

In the directors opinion the company's ultimate parent company and controlling party is A.S.H.S. Limited, which is incorporated in the United Kingdom and holds 100% of the company's issued share capital.