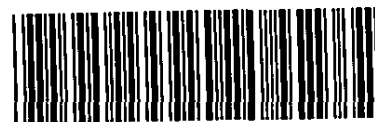


# Abercrombie & Fitch (UK) Limited

Annual Report and Financial Statements  
For the period ended 2 February 2013

Registered Number: 05391078

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# Abercrombie & Fitch (UK) Limited

## Contents

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	Page(s)
Company information	1
Directors' report for the period ended 2 February 2013	2-3
Independent auditors' report to the members of Abercrombie & Fitch (UK) Limited	4
Profit and loss account for the period ended 2 February 2013	5
Balance sheet as at 2 February 2013	6
Notes to the financial statements for the period ended 2 February 2013	7-11

# Abercrombie & Fitch (UK) Limited

## Company information

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### Directors

Boris Djordjevic  
Holger Kunz  
Ronald A Robins, Jr

### Independent auditors

Aram Berlyn Gardner  
30 City Road  
London  
EC1Y 2AB

### Registered office

1 Old Burlington Street  
2<sup>nd</sup> Floor  
London  
W1S 3AD

# Abercrombie & Fitch (UK) Limited

## Directors' Report

For the period ended 2 February 2013

The directors present their annual report and the audited financial statements of Abercrombie & Fitch (UK) Limited ("the company") for the period ended 2 February 2013. These financial statements represent the period 29 January 2012 to 2 February 2013. The comparative period is 30 January 2011 to 28 January 2012.

### Principal activities and review of business

Until 28 January 2012, the company was a specialty retailer that operated stores selling casual sportswear apparel, including knit and woven shirts, graphic t-shirts, fleece, jeans and woven pants, shorts, sweaters, outerwear, personal care products and accessories for men and women under the Abercrombie & Fitch brand. Since the transaction described below, the company only holds the lease of the flagship store premises and does not have any other business activities.

On 28 January 2012, Abercrombie & Fitch (UK) Limited merged into Hollister Co. (UK) Limited transferring all assets and liabilities except for certain operating lease obligations and group balances to Hollister Co. (UK) Limited on that date. On 15 February 2012, Hollister Co. (UK) Limited changed its name to AFH Stores UK Limited. This transaction resulted in the transfer of trade from the Abercrombie & Fitch (UK) Limited legal entity to AFH Stores UK Limited. Abercrombie & Fitch (UK) Limited has therefore ceased trading and only holds the lease for the A&F flagship and related offices.

### Results and dividends

The company's loss for the financial period, after taxation, amounted to £55,000 (2012 profit of £1,713,000). The directors do not recommend payment of a dividend (2012 £nil).

### Directors

The directors, who served during the period fiscal year 2012, are given below:

Alvaro Bellon – resigned 15 May 2012

David Cupps – resigned 15 May 2012

Brian Logan – resigned 15 May 2012

Boris Djordjevic – appointed 15 May 2012

Holger Kunz – appointed 15 May 2012

Ronald A. Robins, Jr. – appointed 15 May 2012

### Statement of 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 prepared 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.

# Abercrombie & Fitch (UK) Limited

## Directors' Report (Continued)

For the period ended 2 February 2013

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### Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

On behalf of the board



Boris Djordjevic  
Director

28 June 2013

# Abercrombie & Fitch (UK) Limited

## Independent Auditors' Report to the Members of Abercrombie & Fitch (UK) Limited

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We have audited the financial statements of Abercrombie & Fitch UK Limited for the period ended 2 February 2013 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 Directors' Responsibilities Statement set out on pages 2-4, 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 Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### 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 2 February 2013 and of its profit for the period 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

### 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.



Julie Piper (Senior Statutory Auditor)  
for and on behalf of Arram Berlyn Gardner  
Chartered Accountants  
Statutory Auditor

30 City Road  
London  
EC1Y2AB

2 July 2013

# Abercrombie & Fitch (UK) Limited

## Profit and Loss Account

For the period ended 2 February 2013

	Note	2013 £'000	2012 £'000
<b>Discontinued operations</b>			
Turnover from discontinued operations	2	-	59,051
Cost of sales		-	(31,062)
Gross profit		-	27,989
Administrative expenses on discontinued operations		-	(2,117)
Selling and distribution expenses		(3,863)	(23,684)
Other operating income		3,863	210
		-	(25,591)
<b>Operating profit from discontinued operations</b>	3	-	2,398
Interest receivable and similar income	6	-	155
		-	155
<b>Profit on discontinued operations before taxation</b>		-	2,553
Tax on profit on discontinued operations	7	(55)	(840)
<b>Profit on discontinued operations after taxation</b>	11	(55)	1,713

The notes on pages 7 to 11 form an integral part of these financial statements

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

### Discontinued Operations

The Profit and Loss account has been presented on a discontinued operations basis as a result of the merger with AFH Stores UK Limited (previously Hollister Co (UK) Limited), reflecting the continued trading of the retail operations

# Abercrombie & Fitch (UK) Limited

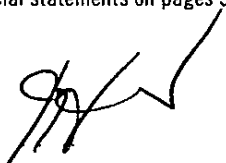
## Balance Sheet

As at 2 February 2013

	Note	2013 £'000	2012 £'000
<b>Fixed assets</b>			
Tangible assets		<u>-</u>	<u>-</u>
<b>Current assets</b>			
Debtors	8	<u>22,206</u>	<u>36,523</u>
		22,206	36,523
Creditors amounts falling due within one year	9	<u>(761)</u>	<u>(15,023)</u>
<b>Net current assets</b>		<u>21,445</u>	<u>21,500</u>
<b>Total assets less current liabilities</b>		<u>21,445</u>	<u>21,500</u>
<b>Capital and reserves</b>			
Called up share capital	10	15,289	15,289
Profit and loss account	11	<u>6,156</u>	<u>6,211</u>
<b>Total shareholders' funds</b>	12	<u>21,445</u>	<u>21,500</u>

The notes on pages 7 to 11 form an integral part of these financial statements

The financial statements on pages 5 to 11 were approved by the Board on 28 June 2013 and were signed on their behalf by



Boris Djordjevic  
Director

Registered Number 05391078



# Abercrombie & Fitch (UK) Limited

## Notes to the financial statements

For the period ended 2 February 2013

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### 1 Accounting policies

#### *a) Accounting convention*

The financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

#### *b) Cash flow statement and related parties*

The company is a wholly owned subsidiary company of a group headed by Abercrombie & Fitch Co, a Delaware company incorporated in the United States of America, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS 1 'Cash flow statements (revised 1996)' from preparing a cash flow statement.

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8, 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by Abercrombie & Fitch Co, whose accounts are publicly available.

#### *c) Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### *d) Foreign currencies*

Transactions in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

#### *e) Leases*

Rentals paid under operating leases are charged to the profit and loss account in the period to which they relate.

#### *f) Turnover*

The company recognised retail sales at the time the customer took possession of the merchandise. Employee discounts were classified as a reduction of turnover. The company made a provision for sales returns through estimates based on historical experience and various other assumptions that management believed to be reasonable.

### 2 Turnover

Turnover was attributable to the discontinued operations of the legal entity. The retail stores have been transferred to a different legal entity as of 28 January 2012.

All turnover was derived in the United Kingdom.

# Abercrombie & Fitch (UK) Limited

## Notes to the financial statements

For the period ended 2 February 2013 (continued)

### 3 Operating profit from discontinued operations

Operating profit from discontinued operations is stated after charging

	2013 £'000	2012 £'000
Depreciation of tangible fixed assets	-	1,839
Foreign exchange loss	-	43
Services provided by the company's auditor - fees payable for the audit	-	40
Operating leases - other	3,863	4,824

### 4 Staff costs

	2013 £'000	2012 £'000
Wages and salaries	-	10,458
Social security costs	-	576
	<u>-</u>	<u>11,034</u>

The average number of employees including directors during the period was as follows

	2013 Number	2012 Number
Sales	-	1,341
Administration	3	25
	<u>3</u>	<u>1,366</u>

The average number of full-time equivalent employees during the period was as follows

	2013 Number	2012 Number
Sales	-	285
Administration	-	-
	<u>-</u>	<u>285</u>

### 5 Directors' emoluments

The directors of the company are not remunerated for their services to the company. In the opinion of the directors, it is not possible to determine with reasonable accuracy a cost allocation relating to services provided to the company.

### 6 Interest receivable and similar income

	2013 £'000	2012 £'000
Bank interest and similar income	<u>-</u>	<u>155</u>

# Abercrombie & Fitch (UK) Limited

## Notes to the financial statements

For the period ended 2 February 2013 (continued)

### 7 Tax on profit on ordinary activities

	2013 £'000	2012 £'000
<b>Current tax</b>		
UK corporation tax on profits of the period	-	660
Adjustment in respect of previous periods	55	79
<b>Total current tax charge</b>	<b>55</b>	<b>739</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	179
Adjustment in respect of previous periods	-	(60)
Effect of changes in tax rates	-	(18)
<b>Total deferred tax</b>	<b>-</b>	<b>101</b>
<b>Tax on profit on ordinary activities</b>	<b>55</b>	<b>840</b>

### Factors affecting the tax charge for the financial period

The tax charge assessed for the period is higher (2012 higher) than the standard rate of corporation tax in the UK (24.33%) (2012 26.32%). The differences are explained below

	2013 £'000	2012 £'000
<b>Profit on ordinary activities before taxation</b>	<b>-</b>	<b>2,553</b>
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 24.33 % (2012 26.32 %)	-	672
Effects of		
Expenses not deductible for tax purposes	-	167
Capital Allowances for period in excess of depreciation	-	(12)
Movement in short term timing differences	(2)	(167)
Adjustment to tax charges in respect of previous periods	55	79
Group relief not paid for	2	-
<b>Tax on profit on ordinary activities</b>	<b>55</b>	<b>739</b>

### Factors that may affect future tax charges

A number of changes to the UK Corporation tax system were announced in the UK Budget 2012 statements in March of 2012. The 2012 Finance Act includes legislation to reduce the main rate of corporation tax from 25% to 24% from 1 April 2012. The main rate of corporation tax will be reduced from 24% to 23% from 1 April 2013 in the 2012 Finance Act followed by a further reduction to 22% effective as of 1 April 2014.

# Abercrombie & Fitch (UK) Limited

## Notes to the financial statements

For the period ended 2 February 2013 (continued)

### 8 Debtors

	2013 £'000	2012 £'000
Amounts falling due within one year		
Amounts owed by immediate parent	-	4,864
Amounts owed by group undertakings	21,413	31,047
Corporation taxation	-	-
Other taxation and social security	44	36
Prepayments	749	576
<b>Total</b>	<b>22,206</b>	<b>36,523</b>

Amounts owed by group undertakings are interest free, unsecured and recoverable on demand

### 9 Creditors amounts falling due within one year

	2013 £'000	2012 £'000
Amounts owed to immediate parent	-	6
Amounts owed to group undertakings	756	15,013
Accruals and deferred income	5	4
	<b>761</b>	<b>15,023</b>

Amounts owed to group undertakings for trade are interest free, unsecured and repayable on demand. In the prior year certain loans owed to group undertakings were secured, carried interest at LIBOR and had no fixed date of repayment

### 10 Called up share capital

	2013 £'000	2012 £'000
Allotted, fully paid		
15,289,001 ordinary shares of £1 each	15,289	15,289

### 11 Profit and loss account

	£'000
At 28 January 2012	6,211
Profit for the financial period FY2012	(55)
At 2 February 2013	<b>6,156</b>

### 12 Reconciliation of movements in shareholders' funds

	2013 £'000	2012 £'000
Profit for the financial period	(55)	1,713
Opening shareholders' funds	21,500	19,787
Closing shareholders' funds	<b>21,445</b>	<b>21,500</b>

# Abercrombie & Fitch (UK) Limited

## Notes to the financial statements

For the period ended 2 February 2013 (continued)

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### 13 Financial commitments

At 2 February 2013 the short term portion of the long term commitment coming due in the year to 1 February 2014, under non-cancellable operating leases for buildings expiring as follows

	2013 £'000	2012 (restated) £'000
More than five years	<u>3,750</u>	<u>3,750</u>

### 14 Ultimate parent undertaking and controlling party

The company's immediate parent is Abercrombie & Fitch Europe SA incorporated in Switzerland. The company's ultimate parent undertaking and controlling party is Abercrombie & Fitch Co., a Delaware company incorporated in the United States of America. This is the parent of the largest and smallest group, which includes the results of the company and for which group accounts are prepared. A copy of the group financial statements can be obtained from Investor Relations Department, 6301 Fitch Path, New Albany, Ohio 43054, U.S.A. or at [www.abercrombie.com](http://www.abercrombie.com) under the "Investors" link.