

**BROOKS BROTHERS UK LIMITED**

**UNAUDITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE 52 WEEKS ENDED 3 AUGUST 2019**



**BROOKS BROTHERS UK LIMITED**  
**REGISTERED NUMBER:05484327**

**BALANCE SHEET**  
**AS AT 3 AUGUST 2019**

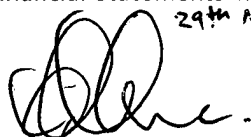
	Note	3 August 2019 £	4 August 2018 £
<b>Fixed assets</b>			
Tangible assets	4	<b>676,536</b>	132,570
<b>Current assets</b>			
Stocks	5	<b>1,538,180</b>	1,668,169
Debtors	6	<b>6,064,369</b>	4,091,943
Cash at bank and in hand	7	<b>1,026,654</b>	2,035,557
		<b>8,629,203</b>	7,795,669
Creditors: amounts falling due within one year	8	<b>(5,591,414)</b>	(3,826,268)
<b>Net current assets</b>		<b>3,037,789</b>	3,969,401
<b>Total assets less current liabilities</b>		<b>3,714,325</b>	4,101,971
<b>Net assets</b>		<b>3,714,325</b>	4,101,971
<b>Capital and reserves</b>			
Called up share capital	9	<b>22,704,104</b>	22,704,104
Capital contribution		<b>306,794</b>	306,794
Profit and loss account		<b>(19,296,573)</b>	(18,908,927)
		<b>3,714,325</b>	4,101,971

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

29<sup>th</sup> November 2019  


**Stephen Kane**  
Director

The notes on pages 3 to 9 form part of these financial statements.

**BROOKS BROTHERS UK LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 3 AUGUST 2019**

	<b>Called up share capital</b>	<b>Capital contribution</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 30 July 2016</b>	<b>19,823,484</b>	<b>306,794</b>	<b>(18,883,931)</b>	<b>1,246,347</b>
<b>Comprehensive loss for the period</b>				
Loss for the period	-	-	(24,996)	(24,996)
	-	-	(24,996)	(24,996)
<b>Total comprehensive loss for the period</b>				
Shares issued during the period	2,880,620	-	-	2,880,620
<b>Total transactions with owners</b>	<b>2,880,620</b>	<b>-</b>	<b>-</b>	<b>2,880,620</b>
<b>At 4 August 2018</b>	<b>22,704,104</b>	<b>306,794</b>	<b>(18,908,927)</b>	<b>4,101,971</b>
<b>Comprehensive loss for the period</b>				
Loss for the period	-	-	(387,646)	(387,646)
	-	-	(387,646)	(387,646)
<b>Total comprehensive loss for the period</b>				
<b>At 3 August 2019</b>	<b>22,704,104</b>	<b>306,794</b>	<b>(19,296,573)</b>	<b>3,714,325</b>

## **BROOKS BROTHERS UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 3 AUGUST 2019**

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#### **1. General information**

The principal activity of the company is that of retailing high quality menswear and ladies wear.

The company is a private company limited by shares, is registered in England and Wales and is incorporated in the United Kingdom under the Companies Act 2006. The address of its principal place of business is 150 Regent Street, London, W1B 5SJ.

The registered office is Elsley Court, 20-22 Great Titchfield Street, London, W1W 8BE.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The company is reliant upon the continued support of its ultimate parent company, Brooks Brother Group Inc., which has confirmed that it will continue to provide such support for a period of at least 12 months from the date of approval of these financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

##### **2.3 Turnover**

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom. Turnover represents amounts receivable for goods provided in the normal course of business, net of VAT and discounts. Turnover from gift vouchers is recognised at the point of redemption.

##### **2.4 Tangible fixed assets**

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

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

## **BROOKS BROTHERS UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 3 AUGUST 2019**

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#### **2. Accounting policies (continued)**

##### **2.4 Tangible fixed assets (continued)**

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

The estimated useful lives range as follows:

Fixtures & fittings and office equipment	- 8 to 10 years
Computer equipment	- 3 years
Shop setup	- 5 years
Shop display	- 3 years

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

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

##### **2.5 Stocks**

Stock is valued at the lower of cost and net realisable value. Cost is based on the purchase of materials from the group. The measurement basis is based on the weighted average cost.

Net realisable value is based on estimated normal selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

##### **2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment.

##### **2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than three months.

##### **2.8 Financial instruments**

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

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

## **BROOKS BROTHERS UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 3 AUGUST 2019**

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#### **2. Accounting policies (continued)**

##### **2.8 Financial instruments (continued)**

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

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

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

##### **2.9 Creditors**

Short term creditors are measured at the transaction price.

##### **2.10 Foreign currency translation**

###### **Functional and presentation currency**

The company's functional and presentational currency is pound sterling.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

##### **2.11 Operating leases**

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

## **BROOKS BROTHERS UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 3 AUGUST 2019**

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#### **2. Accounting policies (continued)**

##### **2.12 Pensions**

###### **Defined contribution pension plan**

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

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

##### **2.13 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

##### **2.14 Taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

##### **2.15 Judgements and estimates**

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no judgements or estimates expected to have a material impact during the period.

#### **3. Employees**

The average monthly number of employees, including directors, during the period was 39 (2018 - 44).

**BROOKS BROTHERS UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 3 AUGUST 2019**

**4. Tangible fixed assets**

	Fixtures & fittings and office equipment, computer equipment, shop setup & shop display £	Assets under construction £	Total £
<b>Cost</b>			
At 5 August 2018	3,451,028	268,582	3,719,610
Additions	741,369	13,434	754,803
Disposals	(845,809)	-	(845,809)
Transfers between classes	19,706	(19,706)	-
At 3 August 2019	<u>3,366,294</u>	<u>262,310</u>	<u>3,628,604</u>
<b>Depreciation</b>			
At 5 August 2018	3,352,811	234,229	3,587,040
Charge for the period	147,688	-	147,688
Disposals	(782,660)	-	(782,660)
At 3 August 2019	<u>2,717,839</u>	<u>234,229</u>	<u>2,952,068</u>
<b>Net book value</b>			
At 3 August 2019	<u>648,455</u>	<u>28,081</u>	<u>676,536</u>
At 4 August 2018	<u>98,217</u>	<u>34,353</u>	<u>132,570</u>

Assets under construction brought forward depreciation includes £234,229 of brought forward impairments relating to the year ended 4 August 2018.

**5. Stocks**

	3 August 2019 £	4 August 2018 £
Finished goods and goods for resale	<u>1,538,180</u>	<u>1,668,169</u>



**BROOKS BROTHERS UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 3 AUGUST 2019****6. Debtors**

	<b>3 August 2019 £</b>	<b>4 August 2018 £</b>
Trade debtors	<b>55,468</b>	101,953
Amounts owed by group undertakings	<b>5,282,263</b>	2,661,339
Other debtors	<b>199,832</b>	232,670
Prepayments and accrued income	<b>526,806</b>	1,095,981
	<b><u>6,064,369</u></b>	<b><u>4,091,943</u></b>

Amounts owed by fellow subsidiaries are interest-free and repayable on demand.

Other debtors includes rent deposits which are secured in favour of the landlords.

**7. Cash and cash equivalents**

	<b>3 August 2019 £</b>	<b>4 August 2018 £</b>
Cash at bank and in hand	<b><u>1,026,654</u></b>	<b><u>2,035,557</u></b>

**8. Creditors: Amounts falling due within one year**

	<b>3 August 2019 £</b>	<b>4 August 2018 £</b>
Trade creditors	<b>72,108</b>	690,518
Amounts owed to parent undertaking	<b>4,802,966</b>	2,848,981
Other taxation and social security	<b>90,721</b>	79,471
Other creditors	<b>5,043</b>	52,513
Accruals and deferred income	<b>620,576</b>	154,785
	<b><u>5,591,414</u></b>	<b><u>3,826,268</u></b>

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

# BROOKS BROTHERS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 3 AUGUST 2019

### 9. Share capital

	3 August 2019 £	4 August 2018 £
<b>Allotted, called up and fully paid</b>		
22,704,104 (2018 - 22,704,104) Ordinary shares of £1 each	<b>22,704,104</b>	22,704,104

### 10. Commitments under operating leases

At 3 August 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	3 August 2019 £	4 August 2018 £
Not later than 1 year	<b>2,674,037</b>	2,983,796
Later than 1 year and not later than 5 years	<b>3,112,815</b>	6,333,888
Later than 5 years	<b>1,332,140</b>	1,517,760
	<b>7,118,992</b>	10,835,444

### 11. Related party transactions and ultimate parent company

In accordance with FRS 102 Section 1A paragraph 1AC.35, the company has not disclosed transactions with wholly owned group companies.

The parent of the smallest and largest group, of which the company is a member and for which group accounts are prepared, is Brooks Brothers Group Inc., whose registered address is 100 Phoenix Avenue, Enfield, Connecticut, 06082, United States of America.

### 12. Auditor's information

The audit report provided to the members of Brooks Brothers UK Limited on the financial statements for the period ended 3 August 2019 was unqualified.

The audit report was signed on 29<sup>th</sup> November 2019 by Helen Burrridge (Senior Statutory Auditor) on behalf of Deloitte LLP.