Registered number 05758084

Liberty of London Limited

Annual Report and Financial Statements

For the 52 week period ended

2 February 2019

OFFICERS AND PROFESSIONAL ADVISORS

Directors

Marco Anatriello
Marco Capello
Emilio Di Spiezio Sardo
Adil Mehboob-Khan
Robert Unsworth

Registered Address

210-220 Regent Street
London
W1B 5AH

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Bankers

Barclays Bank PLC
Level 27
1 Churchill Place
London
E14 5HP

Solicitors

Burness Paul
120 Bothwell Street
Glasgow
G2 7JL

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STRATEGIC REPORT
for the 52 week period ended 2 February 2019

Principal activities

The principal activities of the Company are the creation and development of a luxury goods brand and the retailing of this brand primarily in the Liberty Flagship retail store situated in Great Marlborough Street, London (the "Flagship Store") and online through the Liberty website.

Operations continue to focus on further product development in specialised categories and to retail those products in the Flagship Store, online and to wholesale customers.

Business review and future developments

The results for Liberty of London Limited for the 52 week period ended 2 February 2019 are set out on page 8.

The Directors use a number of KPIs which they consider to be effective in measuring delivery of their strategy, and which assist in the management of the business. The Directors assess business performance by monitoring changes in sales, margins and profitability. The main measure of profitability is EBITDA (earnings before interest, tax, depreciation and amortisation).

Sales increased 28% in the period due to higher sales to other group companies, namely Liberty Retail Limited. Gross profit margin was in line with the prior period. Operating expenses decreased as a percentage of sales due to other income generated through marketing activities. The Company's EBITDA increased to £889,000 from £119,000 in the prior period.

No changes are expected to the principal activities of the Company.

Principal risks and uncertainties

Changes in fashion trends

The Company is dependent upon its ability to interpret and offer fashion products that customers wish to purchase. Failure to be successful in this area of activity, particularly noting the long lead times before product is available for sale, would cause an adverse impact on revenues and profitability.

Reliance on reputation of the Liberty brands

If an event occurred that materially damaged the reputation of any of the Group's (the "Group") core brands or there was a failure to sustain the appeal of the Group's brands to its customers, this could have an adverse impact on revenues and resultant shareholder value.

The Group owns a worldwide portfolio of trade mark registrations. The Liberty design archive is protected by UK copyright. Should the group become aware of any trade mark or copyright infringement steps are taken to enforce the Group's legal right in relation to that infringement.

On behalf of the board

Robert Unsworth
Director
210-220 Regent Street
London W1B 5AH

27 June 2019

DIRECTORS' REPORT
for the 52 week period ended 2 February 2019

Introduction

The Directors present their Annual Report and the audited financial statements for the 52 week period ended 2 February 2019. Liberty of London Limited is a private limited company incorporated in England and Wales.

Directors

The Directors who held office throughout the period and up to the date of this report were:

Marco Capello
Emilio Di Spiezio Sardo
Marco Anatriello
Adil Mehboob-Khan
Robert Unsworth (appointed 31 July 2018)

Directors' indemnities

The Company maintains Directors' and Officers' qualifying third party indemnity insurance, which provides appropriate cover for any legal action brought against its Directors. Qualifying indemnity insurance was in force throughout the period and remains in force as at the date of signing the financial statements.

Dividends

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

Financial risk management

Foreign exchange fluctuations

The Company pays a significant proportion of its purchases in foreign currency. Liberty Zeta Limited, the Company's ultimate parent company, mitigates the effect of adverse movements in exchange rates on a group basis by matching purchases with the currency of sales receipts elsewhere in the group.

Tax

The Company is exposed to financial risks from increases in tax rates and changes in the basis of tax, including corporation tax and VAT. The engagement of experienced executives within the Company and by its parent undertakings to handle these matters enhances the protection to the Company in this area of its activities. The Company also maintains a regular monitoring of legislative proposals and undertakes dctailed analysis and review with external (non-audit related) advisers to evaluate and if possible, mitigate the impact of the changes.

Employment

It is Group policy to keep employees informed of the strategy, activities and financial performance of the Group and to encourage them to take a wider interest in its affairs. This is achieved in a variety of ways, including electronic media, operational reporting, personal and Group briefing sessions, as well as consultation with employees or their representatives on a regular basis so that their views can be taken into account in making decisions likely to affect their interests. Communication is supplemented by Yammer, an enterprise social network and the quarterly "Liberty Forum" led by the senior management team.

The health and safety of employees is important to the Group. This is reviewed periodically in light of good practice and developing legislation.

The Group is an equal opportunities employer and is committed to developing a working culture which enables all employees to make their own distinctive contribution. Employment policies are designed to be fair, equitable and consistent with the abilities of the employees and the needs of the Group. Applications for employment by disabled persons are fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of any member of staff becoming disabled, effort would be made to enable their employment with the Group. It is the policy of the Group that the training, development and promotion of disabled persons should, as far as possible, be the same as to that of other employees.

DIRECTORS' REPORT
for the 52 week period ended 2 February 2019

Political donations

The Company made no political donations during the period (2018: £nil).

Charitable donations

The Company made no charitable donations during the period (2018: £nil).

Going concern

The financial statements have been prepared on a going concern basis in view of the fact the parent undertaking Liberty Zeta Limited has formally indicated that it is its present intention to provide sufficient funding to the Company to enable it to meet its liabilities as they fall due, for at least the next twelve months. The Directors believe that the parent company will be in a position to provide the support referred to above and accordingly, they have prepared the financial statements on a going concern basis.

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP were auditors of the Company for the period ended 2 February 2019 and have expressed their willingness to continue in office.

On behalf of the Board

Robert Unsworth
Director
210-220 Regent Street
London W1B 5AH

27 June 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS
for the 52 week period ended 2 February 2019

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial 52 week period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIBERTY OF LONDON LIMITED
for the 52 week period ended 2 February 2019

Report on the audit of the financial statements

Opinion

In our opinion, Liberty of London Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 2 February 2019 and of its profit for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 2 February 2019; the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity for the 52 week period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

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

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIBERTY OF LONDON LIMITED
for the 52 week period ended 2 February 2019

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 2 February 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIBERTY OF LONDON LIMITED
for the 52 week period ended 2 February 2019

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 June 2019

INCOME STATEMENT
for the 52 week period ended 2 February 2019

	Note	52 week period ended 2 February 2019	53 week period ended 3 February 2018
		£000	£000
Revenue		**5,662**	4,409
Cost of sales		**(3,018)**	(2,580)
Gross profit		**2,644**	1,829
Selling and distribution costs		**(1,860)**	(1,439)
Administrative expenses		**(185)**	(299)
Other operating income		**274**	5
Profit/(loss) from operating activities		**873**	96
Profit before tax	4	**873**	96
Taxation	5	**-**	-
Profit for the financial period		**873**	96

All operations are continuing. Notes on pages 11 to 19 form part of these financial statements.

There are no other items of comprehensive income other than those shown in the Income Statement, and therefore no Statement of Comprehensive Income has been presented.

STATEMENT OF FINANCIAL POSITION
as at 2 February 2019

	Note	2 February 2019 £000	3 February 2018 £000
Non-current assets			
Property, plant and equipment	6	**17**	31
		17	31
Current assets			
Inventories	7	**887**	1,367
Trade and other receivables	8	**7,097**	3,405
Cash and cash equivalents		**168**	89
		8,152	4,861
Total assets		**8,169**	4,892
Current liabilities			
Trade and other payables	9	**(9,370)**	(6,966)
		(9,370)	(6,966)
Net current liabilities		**(1,218)**	(2,105)
Total liabilities		**(9,370)**	(6,966)
Net liabilities		**(1,201)**	(2,074)
Equity			
Called up share capital	10	**13,360**	13,360
Accumulated losses		**(14,561)**	(15,434)
Total equity		**(1,201)**	(2,074)

Notes on pages 11 to 19 form part of these financial statements.

The financial statements on pages 8 to 19 were approved by the Board of Directors on 27 June 2019 and signed on its behalf by:

Robert Unsworth
Director

STATEMENT OF CHANGES IN EQUITY
for the 52 week period ended 2 February 2019

	Called up share capital	Accumulated losses	Total equity
	£000	£000	£000
Balance at 29 January 2017	13,360	(15,530)	(2,170)
Total comprehensive income for the period			
Profit for the period	-	96	96
Balance at 3 February 2018	13,360	(15,434)	(2,074)
Total comprehensive income for the period			
Profit for the period	-	873	873
Balance at 2 February 2019	13,360	(14,561)	(1,201)

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 2 February 2019

1. ACCOUNTING POLICIES

Basis of preparation

Liberty of London Limited (the "Company") is a company incorporated in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent company, Liberty Zeta Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Liberty Zeta Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the address given in note 13.

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs (International Financial Reporting Standards); and
- Disclosures in respect of Key Management Personnel.

As the consolidated financial statements of Liberty Zeta Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS *13 Fair Value Measurement* and the disclosures required by *IFRS 7 Financial Instrument Disclosures*.

The accounting policies set out below have, unless otherwise stated been applied consistently to all periods presented in these financial statements in dealing with items which are considered material to the financial statements.

Going Concern

Having discussed the basis of preparation and the assumptions underlying the Group's projections (of which the Company forms a part), the Directors have a reasonable expectation that the Company will be able to meet its liabilities as they fall due for the 12 months from the end of the reporting period. As such, the financial statements have been prepared on a going concern basis.

Revenue

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of staff discounts and is stated net of value added tax and other sales-related taxes. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

1. ACCOUNTING POLICIES (continued)

Cost of Sales

Cost of sales comprises the cost of goods sold, together with the direct costs incurred in managing and operating the Company's operating activities.

Foreign exchange

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on transactions are recognised in the Income Statement.

Financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables. Non-derivative financial instruments are recognised initially at fair value.

Cash and cash equivalents comprise cash balances and call deposits.

Equity

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Tax

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition for tax purposes. In accordance with IAS 12, deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the reporting date, that may give rise to an obligation to pay more or less tax in the future. Deferred tax is not recognised when fixed assets are revalued unless by the reporting date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence it can be regarded as 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 a non-discounted basis. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives, over the following periods:

Fixtures, fittings and equipment	5 years

The carrying values of property, plant and equipment are reviewed for impairment annually and if an event or change in circumstance indicates the carrying value may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the 52 week period ended 2 February 2019

1. ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Provisions against book values are recorded principally by reference to the age of stock. Cost is based on the standard cost principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition.

Impact of new international reporting standards, amendments and interpretations

IFRS 9

The Company has applied IFRS 9 from 4 February 2018, but will not restate comparatives on initial application. There have been no material impacts on the Company's financial statements as a result of adopting IFRS 9 from 4 February 2018.

IFRS 15

The Company has applied IFRS 15 from 4 February 2018, but will not restate comparatives on initial application. There have been no material impacts on the Company's financial statements as a result of adopting IFRS 15 from 4 February 2018.

Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In particular, information about the judgements to assess net realisable value and has been disclosed in Note 7 Inventory.

2. STAFF NUMBERS AND COSTS

The monthly average full time equivalent number of staff was as follows:

	52 week period ended 2 February 2019 Number	53 week period ended 3 February 2018 Number
Selling and distribution	**2**	1
Design and production	**15**	14
	17	15

The payroll cost of the Company was as follows:

	52 week period ended 2 February 2019 £000	53 week period ended 3 February 2018 £000
Wages and salaries	**903**	726
Social security costs	**103**	80
Other pension costs	**28**	20
	1,034	826

All staff are employed and paid by the Company's fellow subsidiary, Liberty Retail Limited, and their costs are recharged to the Company.

3. REMUNERATION OF DIRECTORS

The Directors were paid £nil by the Company for their qualifying services received during the period (2018: £nil).

4. PROFIT BEFORE TAX

	52 week period ended 2 February 2019 £000	53 week period ended 3 February 2018 £000
Profit before tax is stated after charging the following:		
Depreciation - fixed assets owned	**15**	23

Audit fees are borne by Liberty Retail Limited and recharged to Liberty of London Limited as part of a management recharge. In the period the audit fee relating to Liberty of London Limited totalled £9,900 (2018: £9,430).

No non-audit fees were incurred in the period (2018: £nil).

5. TAXATION

The tax charge for the period in the Income Statement was £nil (2018: £nil).

	52 week period ended 2 February 2019 £000	53 week period ended 3 February 2018 £000
Current tax		
Total UK tax suffered in the period	-	-
Total current tax for the period	**-**	-
Deferred tax:		
Total UK tax suffered in the period	-	-
Total deferred taxation charge	**-**	-
Total tax charge	**-**	-

5. TAX ON PROFIT (continued)

The total tax charge for the period is lower (2018: lower) than the standard rate of corporation tax in the UK of 19% (2018: 19.17%). The differences are explained below:

	52 week period ended 2 February 2019 £000	53 week period ended 3 February 2018 £000
Profit before tax	**873**	96
Profit before tax multiplied by the standard rate in the UK 19% (2018: 19.17%)	**166**	18
Effects of:		
Excess of capital allowances over depreciation	**-**	(1)
Group relief available to other companies for no consideration	**(2)**	-
Adjusting closing deferred tax rate	**74**	-
Movement in deferred tax not recognised	**(214)**	(17)
Prior period adjustment	**(24)**	-
Current tax charge	**-**	-
Total tax charge	**-**	-

A reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Group's future current tax charge accordingly.

The Company has an unrecognised deferred tax asset at 19% (2018: 19%) of £0.6 million (2018: £0.8 million). This asset is comprised of carried forward trading losses and timing differences arising on capital allowances.

No deferred tax asset has been recognised in the financial statements of the Company as it is uncertain when such an asset would be realisable in the foreseeable future.

6. PROPERTY, PLANT AND EQUIPMENT

	Fixtures, fittings & equipment £000	Total £000
Cost		
At 4 February 2018	98	98
Additions	1	1
At 2 February 2019	**99**	**99**
Accumulated depreciation		
At 4 February 2018	(67)	(67)
Depreciation charge for period	(15)	(15)
At 2 February 2019	**(82)**	**(82)**
Net Book Value at 2 February 2019	**17**	**17**
Net Book Value at 3 February 2018	31	31

7. INVENTORIES

	2 February 2019 £000	3 February 2018 £000
Raw materials and consumables	**368**	-
Work in progress	**-**	230
Finished goods	**519**	1,137
	887	1,367

£2,834,000 (2018: £2,407,000) of inventory was recognised within cost of sales in the period.

£18,000 (2018: £5,000) of inventory provisions were released to the income statement during the period, due to sales of inventory provided for exceeding the provision.

The net realisable value of inventory is reviewed on a divisional basis. Provisioning is based on the achieved margin for each product line. Imperfect and obsolete inventory is fully provided for.

8. TRADE AND OTHER RECEIVABLES

	2 February 2019 £000	3 February 2018 £000
Trade receivables	171	211
Amounts due from fellow group undertakings	6,399	2,744
Prepayments and accrued income	27	5
Other receivables	500	445
	7,097	3,405

Balances with fellow group undertakings are payable on demand and are not interest bearing.

The amount of the provision on trade receivables was £6,000 as of 2 February 2019 (2018: £nil).

9. TRADE AND OTHER PAYABLES

	2 February 2019 £000	3 February 2018 £000
Trade payables	79	168
Other payables	56	31
Amounts owed to fellow group undertakings	8,812	6,348
Accruals and deferred income	423	419
	9,370	6,966

Balances with fellow group undertakings are payable on demand and are not interest bearing.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the 52 week period ended 2 February 2019

10. CALLED UP SHARE CAPITAL

ALLOTTED, CALLED UP AND FULLY PAID	2 February 2019 £000	3 February 2018 £000
Called up Ordinary Shares		
13,360,002 (2018: 13,360,002) ordinary shares of £1 each	**13,360**	13,360

11. GUARANTEES

The Company is a guarantor of the Group's Senior Facilities. The facilities are subject to two covenant tests; leverage and minimum liquidity.

12. PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The Company's immediate parent company is Liberty Limited, a company incorporated in England and Wales.

The ultimate parent company is Liberty Zeta Limited, a company incorporated in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by Liberty Zeta Limited. The consolidated financial statements of this group are available to the public and may be obtained from 16 Berkeley Street London W1J 8DZ.

13. RELATED PARTY TRANSACTIONS

During the period the Company entered into transactions with related parties. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries and parent companies.

	Sales to related party £000	Amounts owed by related party £000	Purchases from related party £000	Amounts owed to related party £000
2019	**4**	**-**	**-**	**-**
2018	6	-	-	-

During the period, related parties purchased finished goods from Liberty of London Limited. The value of the transactions were £3,848 (2018: £3,448) and the outstanding amount at the period end was £nil (2018: £nil).