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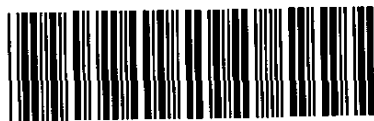
Liberty Zeta Limited

Annual Report and Financial Statements

For the 53 week period ended

3 February 2018

TUESDAY



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COMPANIES HOUSE

LIBERTY ZETA LIMITED

Registered number 08733836

OFFICERS AND PROFESSIONAL ADVISORS

Directors

Marco Anatriello
Marco Capello
Emilio Di Spiezio Sardo
Abdul Wahab Saud Albabtain
Enrico Letta
Adil Mehboob-Khan
Massimo Saracchi

Registered Address

16 Berkeley Street
London
W1J 8DZ

Independent Auditors

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1 Embankment Place
London
WC2N 6RH

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STRATEGIC REPORT**for the 53 week period ended 3 February 2018**

Principal activities

Liberty Zeta Limited (the "Company") is the ultimate holding company of the Liberty Group of companies (the "Group"). Operating since 1875, Liberty's aim is to be recognised throughout the world as the quintessential British lifestyle brand.

Business review and future developments

The consolidated profit from operating activities of the Group in the Income Statement for the 53 week period until 3 February 2018 (the "period") was £14,521,000 and is set out on page 13 of the financial statements. The financial position of the Group, showing a net asset value of £127,546,000, is set out in the consolidated Statement of Financial Position on page 15 of the financial statements. The equity attributable to shareholders of the Company amounts to £126,596,000 (2017: £122,250,000).

During the period strategic activities focused on the refurbishment of the Flagship store, with improvements made across all key departments. The store launched a 'Mini British Food Hall' which focuses on uncovering the best of British produce. Arthur's, a new bar and restaurant with Art Deco-inspired surroundings replaced the original cafe. A lingerie department was opened to complement the new range of Liberty print silk sleepwear.

Liberty Fabrics focused on overseas expansion. The best performing regions were North America and the Far East which achieved sales growth of 48% and 45% respectively. The diplomatic crisis in Qatar had a negative impact on sales which declined by 77%.

The Group continues to focus on the Liberty London brand and product development within both domestic and international markets, with a view to opening stand-alone stores. During the period Liberty London was launched in Japan with pop up shops in Tokyo and Osaka.

During the period Liberty Limited acquired the remaining share capital and voting rights in Stamperia Olonia Srl ('Olonia'). Olonia is now a wholly owned subsidiary of the Group and synergy continued to be seen as a result of supply chain integration.

Christys successfully opened a new store in St Christopher's Place, a shopping district located between Oxford Street and Marylebone.

On 31 January 2018 the Group renegotiated the acquisition facilities. The Company recorded an exceptional loss on extinguishment of the refinanced debt of £2,886,000, being the accelerated expense of unamortised deferred financing costs.

Corporate strategy

Liberty Zeta Limited and its subsidiaries comprise five operational businesses: Liberty Retail, Liberty Fabrics, Liberty London, Christys and Olonia. Each of the five businesses has its own business plan and the Board of Directors (the "Directors") manages adherence to these plans.

The strategy of the Group, led by the activities of the Directors, is to grow profitably in all five operational businesses, as follows:

- Liberty Retail continues to run the 140 year old Liberty Retail business profitably in its iconic tudor building on Great Marlborough Street, London (the "Flagship" store) and online.
- The Liberty Fabrics strategy focuses on profitable growth through a dynamic, customised approach to customers in different global regions. This includes an enhanced range in terms of designs and base cloths.
- The Liberty London strategy focuses on the continued development of a luxury goods brand that will be distributed on a global scale.
- The Christys strategy focuses on profitable growth through expansion of both the specialist headwear operation and the Christys' branded formal and contemporary hats.
- The principal activities of the Olonia division are the preparation and printing of fabrics for both external customers and for Liberty Fabrics using both traditional and digital printing methods. The strategy focuses on growth from the mix of printing methods and complementary services offered throughout the printing process.

STRATEGIC REPORT

for the 53 week period ended 3 February 2018

Key performance indicators

The Directors use a number of KPIs which they consider are effective in measuring delivery of the strategy, and which assist the Directors in management of the business. The KPIs relating to the business are shown below.

		53 week period ended 3 February 2018	52 week period ended 28 January 2017
Total revenue	£'000	133,288	123,448
Flagship sales per square foot (including concession revenue)	£	1,210	1,163
Gross profit as a percentage of sales	%	55%	56%
EBITDA before non-recurring and one-off costs ("Management EBITDA")	£'000	21,033	19,976
Management EBITDA as a percentage of sales	%	16%	16%

Principal risks and uncertainties

The Directors and the senior executive team identify and evaluate risks and uncertainties in the period covered by the Group Business Plan and design controls to mitigate these. Responsibility for management of each key risk is identified and delegated by the Directors to specific senior executives within each of the Group's operating businesses.

This section describes some of the specific risks that could materially affect the Group's businesses. The risks outlined below should be considered in connection with any financial and forward-looking information in the financial statements. These risks could materially affect the Group's business, its operating profits, earnings, net assets, liquidity and capital resources.

Economic, political, social and regulatory changes adversely affecting the Group's financial performance

The Group is exposed to the risks of global and regional adverse political, economic and financial market developments (including recession, inflation and currency fluctuations), that could lower the Group's revenues and operating results in the future.

The Group's results could also be adversely affected by events that reduce domestic or international travel, such as actual or threatened acts of terrorism or war, epidemics, travel-related accidents or industrial action, increased transportation and fuel costs and natural disasters.

Financial market volatility adversely affecting the Group's financial performance

The Group is sensitive to macroeconomic volatility and the resultant reduction in supply of credit and its significant increase in cost. In addition, liquidity risk affects the Group, in that this could result in it being unable to meet its financial obligations as they fall due. The Directors' approach to managing liquidity is to ensure, as far as possible, that the Group has sufficient liquidity to meet its liabilities, without incurring unacceptable losses or risking damage to the Group's reputation and business. The Group uses detailed divisional cash flow reporting to assist the Directors in monitoring cash flow requirements and optimising cash returns on investments across the whole Group. The Group entered into a Senior Financing arrangement with a six year term commencing on 31 January 2018.

STRATEGIC REPORT**for the 53 week period ended 3 February 2018**

Principal risks and uncertainties (continued)***Technology and systems disruption adversely affecting the Group's efficiency***

To varying degrees, the Group is reliant upon information technologies and systems for the running of its businesses, particularly those which are highly integrated with business processes. Any disruption to those technologies or systems could adversely affect the efficiency of the business.

An Information Security Management System (ISMS) is in place to address the governance, risk and compliance of information security and information technology.

The Group is committed to having the correct systems and processes in place to support the Group's strategic objectives and is investing in systems and security to support this development. These improvements in information technologies and systems are being funded through operational cash flows.

Loss of key management personnel

The Group is reliant on its team of executives. The future success of the Group depends on the ability of its existing management team, the identification and appointment of suitable additional executives when required, and on the Group's ability to motivate and retain staff with the requisite experience.

Changes in fashion trends

The Group 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 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.

Potential uninsured product liability claims

Many manufacturers and retailers are potentially vulnerable to product liability claims. The Group conducts regular reviews with its external insurance agent to assess potential insurance risk and to ensure that adequate product and public liability insurance is in place. The Group could also face liability and/or reputational damage relating to counterfeit products. Accordingly, the Group pursues all copyright and trademark infringement to the extent necessary to protect its intellectual property rights.

Pension scheme shortfalls

The Liberty Retail Limited Pension Scheme ("the Scheme"), which is a defined benefit pension scheme, is currently showing a net asset of £886,000 (2017: £2,633,000). If the value of the Scheme assets were to decline materially relative to its liabilities, the Scheme may show a higher deficit and the Group might be required to make additional contributions to cover this shortfall. This would have an adverse impact on cash flow available to the Group, with resultant adverse effects on the cash flow and net worth of the Group.

Management and Pension Scheme Trustees meet regularly and have made major changes to the investment strategy of the Scheme over recent years to respond to changes in the market and to underpin its financial performance. They also receive advice from external actuaries and investment advisers which assists in mitigating this risk through the Scheme's diversified investments and risk minimisation strategy.

STRATEGIC REPORT
for the 53 week period ended 3 February 2018

Foreign exchange fluctuations

The Group transacts a significant proportion of its sales and purchases in foreign currency. The Group mitigates the effect of adverse movements in exchange rates first by negotiating the functional currencies of large purchase contracts to match the currency of sales receipts, thereby creating a natural hedge. Consolidation of the Group's Japanese fabric business and Italian printing business in these Financial Statements includes the impact of the movement in the Sterling/Yen and Sterling/Euro exchange rates during the period and at the period end on the consolidated results and net asset value of the foreign operations.

Changes in tax legislation materially changing the tax paid by the Group

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

On behalf of the Board



Adil Mehboob-Khan
DIRECTOR

31 May 2018

DIRECTORS' REPORT**for the 53 week period ended 3 February 2018**

Introduction

The Directors present their report and the audited consolidated financial statements of Liberty Zeta Limited and its subsidiaries (the "Group") for the 53 week period ending 3 February 2018 (the "period").

Liberty Zeta Limited (the "Company") is the ultimate holding company of the Liberty Group of companies. Operating since 1875, Liberty's aim is to be recognised throughout the world as the quintessential British lifestyle brand. Liberty Zeta Limited (the "Company") and its subsidiaries (the "Group") comprise five operational retail and wholesale businesses: Liberty Retail, Liberty Fabrics, Liberty London, Christys and Olonia. Each of the five businesses has its own business plan and the Board of Directors (the "Directors") manages adherence to these plans on a continual basis.

Both the Strategic Report and the Directors' Report have been drawn up and presented in accordance with, and in reliance upon applicable English company law, and the liabilities of the Directors in connection with those reports shall be subject to the limitations and restrictions provided by such law. Certain information has been omitted from the Directors' Report as it has been included in the Strategic Report.

Liberty Zeta Limited is a private limited company domiciled and incorporated in England and Wales. The registered office of Liberty Zeta Limited is 16 Berkeley Street, London, W1J 8DZ. Subsidiaries of the Group operate in the following countries:

- Italy
- Japan
- North America
- Brazil
- China

Directors

The Directors of the company who were in office during the period and up to the signing date of the financial statements, unless otherwise stated, were:

Marco Anatriello
Marco Capello
Emilio Di Spiezio Sardo
Abdul Wahab Saud Albabtain
Enrico Letta
Sarah Halsall (resigned 19 January 2018)
Adil Mehboob-Khan
Massimo Saracchi
Vishesh Srivastava (resigned 19 January 2018)

Share capital

The Company's issued share capital at 3 February 2018 comprises A and B ordinary shares plus C1 and C2 Management Incentive Shares. The A and B ordinary shares carry the right to vote. The C1 and C2 shares do not have voting rights.

During the period Liberty Zeta Limited issued £5,017,350 of A3 shares as consideration for the acquisition of the minority interest of Stamperia Olonia Srl.

During the period the Group acquired 5,000 of its own shares. The total amount paid to acquire the shares was £151,000. These shares are held as 'treasury shares'.

DIRECTORS' REPORT**for the 53 week period ended 3 February 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.

Dividend

The Directors do not recommend the payment of an ordinary dividend (2017: £nil).

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 employee publications including "Liberty Loop" 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 from time to time and also 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.

Environmental responsibility and health and safety

The Group considers that corporate social responsibility and effective corporate governance are important components of its businesses. The Group is committed to fair treatment of all stakeholders in the business, and to responsible employment policies.

The Group's risk review assists the Directors in identifying and assessing risks that could affect the businesses of the Group. This in turn enables them to implement appropriate social, ethical and environmental policies in conjunction with the financial policies of the Group. The Group does not operate in areas of high environmental risk. One of its principal environmental impacts arises from energy consumption, which the Group continues to monitor and to set reduction targets where practicable. The Group also seeks to reduce the impact of paper usage by recycling and by the increasing use of online transmissions and electronic data collection.

The Directors operate the business in pursuit of good environmental standards, including the following:

- Respecting the environment in which the Group operates, whilst maintaining commercial viability and long term profitability.
- Setting objectives and targets and monitoring performance to ensure adherence to Group policies.
- Raising the environmental awareness of employees and customers.
- Working in partnership with suppliers and contractors to ensure effective management of environmental and social impacts and to minimise any adverse impact of operations on the environment.
- Complying with relevant legislation and related requirements.

DIRECTORS' REPORT
for the 53 week period ended 3 February 2018

Environmental responsibility and health and safety (continued)

The Directors adopt high levels of health and safety at work. Health and safety considerations are addressed as follows:

- Providing a good working environment for employees and treating employees with fairness, dignity and respect.
- Promoting a high standard of health and safety for staff and contractors.
- Operating an equal opportunities policy for all job applicants.
- Complying with relevant legislation and related requirements.

Ultimate responsibility for health and safety issues within the Group rests with Chief Executive Officer of the Group.

Political donations

The Group made no political donations or incurred any political expenditure during the period (2017: £nil).

Charitable donations

The Group made charitable donations of £37,000 during the period (2017: £nil).

Audit information

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 Group's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP were appointed as auditors of the Company for the period ended 3 February 2018 and have expressed their willingness to continue in office.

On behalf of the Board



Adil Mehboob-Khan
DIRECTOR
16 Berkeley Street, London, W1J 8DZ
31 May 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES
for the 53 week period ended 3 February 2018

Statement of Directors' responsibilities in respect of the financial statements

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 period. Under that law the Directors have prepared the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and parent company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 group and parent company and of the profit or loss of the group and parent 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 IFRSs as issued by the International Accounting Standards Board (IASB) have been followed for the group financial statements and IFRSs as adopted by the European Union have been followed for the company financial statements, 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 group and parent company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

The Directors are also responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIBERTY ZETA LIMITED
for the 53 week period ended 3 February 2018**

Report on the audit of the group financial statements

Opinion

In our opinion, Liberty Zeta Limited's group financial statements (the "financial statements"):

- give a true and fair view of the state of the group's affairs as at 3 February 2018 and of its profit and cash flows for the 53 week period (the "period") then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Consolidated Statement of Financial Position as at 3 February 2018; the Consolidated Income Statement and the Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in Equity for the 53 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 group 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

We have nothing to report in respect of the following matters in relation to which 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 group'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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIBERTY ZETA LIMITED
for the 53 week period ended 3 February 2018**

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.

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 3 February 2018 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 group and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

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.

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 9, 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 group'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 group 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.

LIBERTY ZETA LIMITED

Registered number 08733836

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIBERTY ZETA LIMITED
for the 53 week period ended 3 February 2018**

Use of this report

This report, including the opinions, has been prepared for and only for the parent 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
- certain disclosures of Directors' remuneration specified by law are not made.

We have no exceptions to report arising from this responsibility.

Other matter

We have reported separately on the parent company financial statements of Liberty Zeta Limited for the 53 week period ended 3 February 2018.



Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP, Statutory Auditor
Chartered Accountants
1 Embankment Place
London
WC2N 6RH
31 May 2018

CONSOLIDATED INCOME STATEMENT
for the 53 week period ended 3 February 2018

		53 week period ended 3 February 2018	52 week period ended 28 January 2017
	Note	£'000	£'000
Revenue		133,288	123,448
Cost of sales		(59,812)	(54,347)
Gross profit		73,476	69,101
Selling and distribution costs: includes exceptional items of £nil (2017: £259k)	3	(50,876)	(48,915)
Administrative expenses: includes exceptional items of £967k (2017: £1,763k)	3	(11,649)	(10,395)
Other operating income		3,570	2,331
Profit from operating activities		14,521	12,122
Finance income	5	1,077	349
Finance expenses : includes exceptional items of £2,886k (2017: £nil)	5	(8,601)	(10,800)
Profit before tax		6,997	1,671
Taxation	7	(2,290)	3,995
Profit for the financial period		4,707	5,666
Attributable to:			
Equity shareholders of the Company		4,038	4,828
Non-controlling interest		669	838
Profit for the period		4,707	5,666

All results relate to continuing operations. The notes on pages 18 to 46 form part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the 53 week period ended 3 February 2018

	Note	53 week ended 3 February 2018	52 week ended 28 January 2017
		£'000	£'000
Profit for the period		4,707	5,666
Other comprehensive income/(loss):			
Items that may be reclassified to the income statement			
Foreign exchange translation differences for foreign operations		100	1,212
Fair value movement on cash flow hedge		31	-
Items that will not be reclassified to the income statement			
Defined benefit pension scheme actuarial (losses)/gains	4	(2,330)	(1,890)
Total comprehensive income for the period		2,508	4,988
Attributable to:			
Equity shareholders of the Company		1,839	4,150
Non-controlling interest		669	838
Total comprehensive income for the period		2,508	4,988

The notes on pages 18 to 46 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 3 February 2018

	Note	3 February 2018 £'000	28 January 2017 £'000
Non-current assets			
Intangible assets and goodwill	8	166,821	169,189
Property, plant and equipment	9	11,274	11,712
Other financial assets	10	834	865
Employee benefits	4	351	2,144
		179,280	183,910
Current assets			
Inventories	11	23,190	23,249
Trade and other receivables	12	15,177	15,321
Tax recoverable	13	192	-
Cash and cash equivalents		22,747	11,095
		61,306	49,665
Total assets		240,586	233,575
Current liabilities			
Loans and borrowings	15	(1,113)	(12,359)
Trade and other payables	14	(34,566)	(30,892)
Tax payable	13	(322)	(430)
		(36,001)	(43,681)
Non-current liabilities			
Loans and borrowings	15	(62,027)	(45,513)
Other financial liabilities	17	(750)	(5,486)
Provisions	18	(80)	(63)
Deferred Tax Liability	16	(14,182)	(13,600)
		(77,039)	(64,662)
Total liabilities		(113,040)	(108,343)
Net assets		127,546	125,232
Equity			
Share capital	19	102,504	97,635
Other reserves		246	115
Retained earnings		23,846	24,500
Total equity attributable to equity holders of the Company		126,596	122,250
Non-controlling interest		950	2,982
Total equity		127,546	125,232

The financial statements on pages 13 to 46 were approved by the Board of Directors on 31 May 2018 and signed on its behalf by:



Adil Mehboob-Khan
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the 53 week period ending 3 February 2018

	Share capital and premium	Translation reserve	Cashflow Hedge Reserve	Retained earnings	Total equity attributable to equity holders of the Company	Non- controlling interest	Total Equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 30 January 2016	100,019	(1,097)	-	21,607	120,529	2,144	122,673
Issue of shares	1	-	-	-	1	-	1
Acquisition of own shares	(2,385)	-	-	-	(2,385)	-	(2,385)
Exchange movements	-	1,212	-	-	1,212	-	1,212
Net actuarial losses on retirement benefits	-	-	-	(1,890)	(1,890)	-	(1,890)
Profit for the period	-	-	-	4,828	4,828	838	5,666
Accrued preference share dividends	-	-	-	(45)	(45)	-	(45)
Balance at 28 January 2017	97,635	115	-	24,500	122,250	2,982	125,232
Issue of shares	5,020	-	-	-	5,020	-	5,020
Acquisition of own shares	(151)	-	-	-	(151)	-	(151)
Exchange movements	-	100	-	-	100	-	100
Net actuarial loss on retirement benefits	-	-	-	(2,330)	(2,330)	-	(2,330)
Fair value movement on cash flow hedge	-	-	31	-	31	-	31
Profit for the period	-	-	-	4,038	4,038	669	4,707
Accrued preference share dividends	-	-	-	(46)	(46)	-	(46)
Acquisition of NCI of Olonia	-	-	-	(2,316)	(2,316)	(2,701)	(5,017)
Balance at 3 February 2018	102,504	215	31	23,846	126,596	950	127,546

The notes on pages 18 to 46 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT
for the 53 week period ending 3 February 2018

	53 week period ended 3 February 2018	52 week period ended 28 January 2017
	£'000	£'000
Profit for the financial period	4,707	5,666
Adjustments		
Amortisation of intangible assets	2,380	2,313
Finance expenses	8,601	10,800
Finance income	(1,077)	(349)
Depreciation of plant and equipment	2,891	3,520
Loss on disposal of fixed assets	260	-
Taxation	2,290	(3,995)
Change in inventories	59	2,633
Change in trade and other receivables	144	(536)
Change in trade and other payables	4,470	(4,413)
Tax paid	(2,081)	(1,280)
Pension cash contributions	(506)	(1,652)
Net cash generated from operating activities	22,138	12,707
Cash flows from investing activities		
Interest received	13	11
Purchase of property, plant and equipment	(4,681)	(4,688)
Purchase of intangible assets	(12)	(1,576)
Proceeds on property disposal	2,156	-
Acquisition of NCI in Olonia	(4,794)	(325)
Net cash used investing activities	(7,318)	(6,578)
Cash flows from financing activities		
Interest paid	(4,420)	(2,896)
Proceeds from the issue of share capital	-	1
Acquisition of own shares	(151)	(510)
Proceeds from draw down of borrowings	70,261	6,836
Repayments of borrowings	(63,731)	(8,349)
Debt finance costs	(3,337)	(705)
Payment of finance lease liabilities	(1,781)	(315)
Net cash decrease from financing activities	(3,159)	(5,938)
Opening cash and cash equivalents	11,095	12,033
Net increase in cash and cash equivalents	11,661	191
Effect of exchange rate fluctuations on cash held	(9)	(1,129)
Closing cash and cash equivalents	22,747	11,095

The notes on pages 18 to 46 form part of these financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**

1. ACCOUNTING POLICIES

The consolidated financial statements and parent company financial statements have been prepared in accordance with the Companies Act 2006 applicable to companies reporting under International Financial Reporting Standards (IFRS) and International Financial Reporting Standards Interpretations Committee (IFRS IC) interpretations, as adopted by the European Union.

The following accounting policies have been applied consistently in dealing with items that are considered material to the financial statements.

Basis of preparation

The Group financial statements consolidate those of the Company and its subsidiaries. The parent company financial statements present information about the Company as a separate entity and do not include information pertaining to the rest of the Group.

The financial statements have been prepared on a going concern basis in accordance with applicable accounting standards and under the historical cost convention modified by revaluation of financial assets and liabilities held at fair value through profit and loss. The accounting policies set out below have, unless otherwise stated, been applied consistently.

These consolidated financial statements are presented in UK Sterling, which is the Company's functional currency. All financial information has been rounded to the nearest thousand pounds or as indicated throughout.

Changes in accounting policy and disclosures**(a) New standards, amendments and interpretations**

No new standards, amendments or interpretations, effective for the first time for the financial period beginning on or after 29 January 2017 have had a material impact on the group or parent company.

(b) New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for financial periods beginning after 29 January 2017 and have not been applied in preparing these financial statements.

None of these is expected to have a significant effect on the financial statements of the group or parent company, with the exception of the following:

IFRS 9 'Financial Instruments' replaces all phases of the financial instruments project and IAS 39 'Financial Instruments: Recognition and Measurement'. The standard is effective from periods beginning on or after 1 January 2018 and introduces:

- new requirements for the classification and measurement of financial assets and financial liabilities;
- a new model for recognising provisions based on expected credit losses; and
- simplified hedge accounting by aligning hedge accounting more closely with an entities risk management methodology.

The impact of IFRS 9 has been assessed by management and the impact is considered to be immaterial.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**1. ACCOUNTING POLICIES (continued)****Changes in accounting policy and disclosures (continued)**

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. 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. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted, subject to EU endorsement.

Management have assessed the impact of IFRS 15 and a change in the accounting policy for customer incentives will result in a material change to the financial statements. Customer incentives, currently accounted for under IFRIC 13, are expensed in selling and distribution costs. When IFRS 15 is adopted revenue will be reported net of the cost of customer loyalty schemes. This cost, totalling £1,636,000, will be reclassified from selling and distribution costs to revenue for the period ending 3 February 2018, as reported in the 2 February 2019 financial statements. All other changes arising from the adoption of IFRS 15 are considered to be immaterial.

IFRS 16, 'Leases' addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from IFRS 16 is that most operating leases will be accounted for on the Statement of Financial Position for lessees. The standard replaces IAS 17 'Leases', and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted, subject to EU endorsement and the entity adopting IFRS 15 'Revenue from contracts with customers' at the same time. The full impact of IFRS 16 is being assessed by management.

Use of estimates and judgements

The preparation of financial statements requires the Directors 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 significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 4 - the assumptions used to measure defined benefit obligations
- Note 8 - the assumptions used to assess value in use for impairment testing of the Group's intangible assets and goodwill
- Note 11 - the assumptions used to assess the net realisable value of inventory

Basis of consolidation

Where necessary, adjustments are made to the information included in the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group, in order to reflect that information on a consistent basis with the rest of the Group. Subsidiaries are entities controlled by the Group. Control is achieved when the Company is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Dilution gains and losses on increases in minority interests, where no change of control results, are recognised directly in equity. Where necessary, accounting policies of subsidiaries are changed on acquisition to align them with the policies adopted by the Group. Intra-Group balances and transactions and any unrealised income and expenses arising from intra-Group transactions, are eliminated in preparing the consolidated financial statements.

The results of Stamperia Olonia Srl have been consolidated for the period ending 31 January 2018. Significant variances between 31 January 2018 and 3 February 2018 have been adjusted for in the Statement of Financial Position.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**

1. ACCOUNTING POLICIES (continued)

Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities 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 retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on transactions are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value is determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated at the foreign exchange rates ruling at the reporting date. The income and expenses of foreign operations are translated at an average rate for the period where this rate approximates the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from the translation of foreign operations and non-monetary assets/liabilities are taken directly to the translation reserve.

Financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Trade receivables are initially recognised at fair value and subsequently held at amortised cost less provisions for impairment. A provision for impairment of trade receivables is established when there is evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The movement in the provision is recognised in the income statement. Trade payables, defined as financial liabilities in accordance with IAS 39, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. All of the trade payables are non-interest bearing.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts are repayable on demand and form an integral part of the Group's cash management.

Interest-bearing borrowings are initially recognised at fair value less transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the income statement as incurred.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised in other comprehensive income in the hedging reserve and any ineffective portion is recognised immediately in the income statement.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

1. ACCOUNTING POLICIES (continued)

Business combinations

All business combinations are accounted for by applying the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Subsidiary companies

The subsidiary undertakings of the Company are all engaged in retail activities, fabric printing, wholesale distribution or licensing activities, or act as intermediary holding, financing or management companies for such operations. Details of the Company's subsidiary undertakings are set out in note 23 to the financial statements.

Goodwill

Goodwill arises on the acquisition of subsidiaries. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognised immediately in the income statement.

Goodwill arising on the acquisition of a minority interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the net assets acquired at the date of exchange.

Goodwill is measured at cost less impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment.

Intangible Assets

The Group classifies intangible assets into the following categories: Brands, Design Archive, Customer Relationships and Concession Agreements.

Brands

In accordance with IFRS 3, brands acquired by the Group are initially included in the financial statements at their fair value. An annual impairment assessment of the useful life of the brands is performed at the end of each financial period. Where this reveals a surplus, the value of the brand is retained, where it reveals a deficit, the brand is written down and the deficit is charged to the income statement. Subsequent expenditure on the brand is recognised in the income statement when incurred.

The Directors consider that the Group's brand has an indefinite useful life due to the durability of its underlying businesses which has been demonstrated for over 100 years.

Design Archive

The Group's design archive consists of artwork, printers' impressions, pattern books and fabric swatch books. The design archive is over 100 years old and is considered to have an indefinite useful life as the Group continues to use the archive to inspire fabric designs, which generate sales and profit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**Intangible Assets (continued)***Customer Relationships*

The Group has identifiable customer relationships within the Fabrics division. These relationships have an identifiable income stream generated from the customer and a continued expectation that the relationship will be renewed. These customer relationships are ongoing and are considered to have a useful life of 11 years.

Concession Agreements

The Group has a number of contractual agreements in place with concession providers in the Retail Flagship store. These contractual relationships typically last for one year but many have been in place for a number of years after renewals. These concession agreements are considered to have a useful life of 8 years.

Computer Software

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged so as to write off the cost of computer software using the straight line method over the estimated useful life of five years.

Assets under construction are not amortised until they are placed into service.

Impairment

In accordance with IAS 36 the carrying amounts of the Group's non-financial assets other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For intangible assets that have an indefinite useful life, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash generating unit is the higher of its value in use and its fair value, less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money, and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Groups of assets (the cash generating unit).

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit/Group of units exceeds its recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any intangible asset allocated to the unit and then to reduce the carrying amount of other assets in the unit on a pro-rata basis.

Impairment losses, on assets other than goodwill, recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment losses in respect of goodwill are not reversed.

Inventories

Inventories are stated at the lower of cost and net realisable value. 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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**

1. ACCOUNTING POLICIES (continued)

Property, plant and equipment

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

Depreciation is charged so as to write off the cost of property, plant and equipment, less residual amounts, using the straight line method, over their following estimated useful lives:

Plant and machinery	3 to 15 years
Fixtures and Fittings	5 to 10 years
Computer Equipment	5 years

Assets held under operating leases are not recognised as assets of the Group. Rental expenses are recognised in the income statement on a straight-line basis over the term of the lease.

Leases in which the Group assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses.

Assets under construction are not depreciated until they are placed into service.

Employee benefits*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Defined benefit plans

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) are deducted. The Group determines the net interest on the net defined benefit liability/asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/asset.

The discount rate is the yield at the reporting date on bonds that have a credit rating of at least AA that have maturity dates approximating the terms of the Group's obligations and that are denominated in the currency in which the benefits are expected to be paid.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in the income statement.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in the income statement when the plan amendment or curtailment occurs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**1. ACCOUNTING POLICIES (continued)****Employee benefits (continued)**

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in future contributions and takes into account the adverse effect of any minimum funding requirements.

Provisions

A provision is recognised in the Statement of Financial Position when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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 on Flagship store sales of goods and commission on concession sales are recognised when goods are sold to the customer. Internet and Liberty Fabric Limited sales are recognised when the goods are shipped to the customer. Revenue from gift vouchers and gift coins sold by the Group is recognised on redemption of the gift voucher or gift coin. It is the Group's policy to sell its retail products to the end customer with a right of return. Accumulated experience is used to consider the need for a provision for such returns on an annual basis.

Expenses*Cost of sales*

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

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Exceptional items

Exceptional items are non-recurring material items which are outside the normal scope of the Group's ordinary activities such as liabilities and costs arising from a fundamental restructuring of the Group's operations. Such items are disclosed separately within the financial statements.

Finance income and expenses

Financing expenses comprise interest expense, the amortisation of deferred financing costs, net fair value losses on derivatives and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy).

Finance income comprises interest income on funds invested, dividend income, net fair value gains on derivatives and net foreign exchange gains that are recognised in the income statement (see foreign currency accounting policy). Interest income and expense is recognised in the income statement as it accrues, using the effective interest rate method. Foreign currency gains and losses are reported on a net basis.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**

1. ACCOUNTING POLICIES (continued)

Taxation

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 taxation purposes. In accordance with IAS12, 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.

Debt/equity

Under IAS 32, preference shares are classed as equity instruments in the financial statements as:

- the preference shares include no contractual obligation to deliver cash or another financial asset to another entity; and
- they include no contractual obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

Treasury Shares

Where any group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the 53 week period ended 3 February 2018

2. STAFF COSTS AND NUMBER OF EMPLOYEES

The average monthly number of persons employed by the Group (including Directors) during the period, analysed by category, was as follows:

	53 week period ended 3 February 2018 Number	52 week period ended 28 January 2017 Number
Design and Production	113	114
Selling and distribution	283	280
Administration	174	182
	570	576

The aggregate payroll costs of the persons were as follows:

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Wages and salaries	20,677	19,875
Social security costs	1,863	1,806
Other pension costs	547	434
	23,087	22,115

Remuneration of £918,000 (2017: £478,000) was paid by subsidiary companies in respect of seven (2017: four) Directors services.

The highest paid Director received remuneration, including benefits, of £256,000 (2017: £201,300), including pension contributions of £5,600 (2017: £8,300).

Retirement benefits were accruing to four Directors (2017: two) in respect of defined contribution pension schemes.

No other fees were paid to Directors in respect to services provided (2017: nil).

3. EXCEPTIONAL ITEMS

Non-recurring transactions outside the ordinary course of business are treated as exceptional items.

During the period, the Group renegotiated the Senior Facilities Agreement. The Group recorded an exceptional loss on extinguishment of the refinanced debt of £2,886,000, being the accelerated expense of unamortised deferred financing costs.

Restructuring costs of £535,000 were incurred in the period; Head Office was restructured following a reassessment of the cost base of the Group.

During the period, a Director of Stamperia Olonia Srl exercised their call option to buy part of the Olonia factory. The purchase price methodology was determined at the time of the initial acquisition of Olonia in 2013. An exceptional net loss of £235,000 was recognised on the sale of the facility in the period.

A provision of £216,000 was recognised in the period in respect of amounts owing to dissentient shareholders who did not exchange their shares in Liberty Plc upon privatisation.

The tax credit recognised in the period in relation to exceptional costs totalled £144,000 (2017: £404,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the 53 week period ended 3 February 2018

4. EMPLOYEE BENEFITS

Pensions overall summary

Liberty operates a defined contribution pension scheme and three defined benefit pension schemes. One of the defined benefit schemes is for certain UK employees of its wholly owned subsidiary Liberty Retail Limited. This scheme has been closed to new entrants since February 2001 and was closed to future benefit accrual with effect from 1 January 2007. The other scheme is a minor defined benefit pension arrangement for the Japanese subsidiary of Liberty Investment Limited.

The assets of all pension schemes of the Group are held in separate trust administered funds.

Defined contribution schemes

During the period the Group paid £500,000 (2017: £507,000) in respect of contributions to defined contribution pension schemes operated on behalf of Group employees.

Defined benefit schemes

A summary of the total present value of employee benefits is set out in the table below:

	3 February 2018 £'000	28 January 2017 £'000
Summary		
Cumulative net asset of UK scheme	886	2,633
Cumulative net liability of Japanese scheme	(111)	(80)
Cumulative net liability of Italian scheme	(424)	(409)
Total present value of employee benefits	351	2,144

UK defined benefit schemes

The Group contributions to the UK defined benefit scheme of Liberty Retail Limited during the period amounted to £500,000 (2017: £1,638,000). The contribution rate is determined by an independent qualified actuary, using the projected unit method, on the basis of triennial valuations. The Group expects to contribute £1,120,000 to the UK defined benefit scheme in the next financial period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the 53 week period ended 3 February 2018

4. EMPLOYEE BENEFITS (continued)

Actuarial valuation

A full actuarial valuation of the UK defined benefit scheme was carried out as at 30 June 2017 by a qualified independent actuary. An IAS19 valuation has been prepared at 3 February 2018 by the actuary based on assumptions set by the Company and is reflected in these financial statements. The assumptions used by the actuary are those approved by the Trustees of the Pension Scheme and in the actuary's opinion, are the best estimates chosen from a range of possible actuarial assumptions. Due to the timescale covered, these assumptions may not necessarily be borne out in practice. The major assumptions used by the actuary are shown in the following table:

	53 week period ended 3 February 2018	52 week period ended 28 January 2017
Discount rate of scheme liabilities at period end	2.6%	2.9%
Inflation per annum	2.3%	2.3%
Rate of increase per annum in pensions in payment accrued before 5 April 1997	3.0%	3.0%
Rate of increase per annum in pensions in payment accrued after 5 April 1997	3.3%	3.3%
Percentage of maximum cash allowed taken by members	90.0%	90.0%
Forecast life expectancy of Scheme members	87.0	88

The forecast life expectancy assumption is based on a male, aged 60.

The mortality assumption for the period ended 3 February 2018 was S2 (Normal) with CMI 2016 core projections and a 1.5% pa long term rate of improvement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the 53 week period ended 3 February 2018

4. EMPLOYEE BENEFITS (continued)

Actuarial valuation (continued)

Assumptions relating to the rate of increase in salaries at 3 February 2018 are not applicable because the Scheme was closed to future benefit accrual with effect from 1 January 2007.

As the scheme is closed to future benefit accrual, there is no expected contribution rate for future service.

Movement of deficit in the UK defined benefit pension scheme of Liberty Retail Limited

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Amounts to be recognised in the Statement of Financial Position		
Present value of funded obligation	29,366	26,973
Fair value of scheme assets	(30,252)	(29,606)
Net Asset in Statement of Financial Position	(886)	(2,633)
Income recognised in Income Statement		
Administration expenses	-	-
Net interest on the net defined benefit liability	(83)	(129)
Income recognised in Income Statement	(83)	(129)
Movement in fair value of Scheme assets		
At start of period	29,606	26,500
Contributions paid by the Group	500	1,638
Benefits paid by the Scheme	(993)	(889)
Expected return on Scheme assets in finance income	851	968
Actuarial gains on Scheme assets recognised in equity	288	1,389
Total admin expenses	-	-
Fair value of Scheme assets at period end	30,252	29,606
Equities	6,348	18,183
Bonds	23,575	11,214
Other investments	329	209
Fair value of scheme assets	30,252	29,606
Movement in present value of defined benefit obligations		
At start of period	26,973	23,744
Benefits paid by the scheme	(993)	(889)
Interest cost in finance expense	768	839
Actuarial losses recognised in equity	2,618	3,279
Present value of defined benefit obligations at period end	29,366	26,973

The fair values of both the UK and Japan scheme assets are not intended to be realised in the short term and may be subject to significant change before they are realised. The present value of the schemes' liabilities is derived from cash flow projections over long periods of time and is thus inherently uncertain. However, both tables represent the Trustee's and the actuary's best estimate of the deficit in the schemes at the dates referred to.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

4. EMPLOYEE BENEFITS (continued)

Analysis of amount recognised in Statement of Other Comprehensive Income

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Actual return less expected return on pension scheme assets in UK	288	1,389
Actuarial losses on scheme liabilities	(2,618)	(3,279)
	(2,330)	(1,390)
Actual return less expected return on pension scheme assets in Japan	-	15
Actuarial loss in consolidated statement of comprehensive income	(2,330)	(1,875)

A summary of the current period is as follows:

	3 February 2018 £'000	28 January 2017 £'000
UK scheme		
Fair value of scheme assets	30,252	29,606
Present value of defined benefit obligations	(29,366)	(26,973)
Asset	886	2,633
Net Asset in Statement of Financial Position	886	2,633
Experience gains arising on Scheme assets	288	1,389
Experience (losses)/gains arising on Scheme liabilities	(1,332)	120

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the 53 week period ended 3 February 2018

4. EMPLOYEE BENEFITS (continued)

Risks associated with the UK Defined Benefit Pension Scheme

Asset volatility	The liabilities are calculated using a discount rate set with reference to corporate bond yields; if assets under perform this yield, this will create a deficit. The Scheme is invested primarily in growth assets, corporate bonds and liability matched assets. The growth assets, though expected to outperform corporate bonds in the long-term, create volatility and risk in the short-term. The allocation to growth assets is monitored by the Trustees to ensure it remains appropriate given the Scheme's long term objectives.
Changes in bond yields	A decrease in corporate bond yields will increase the value placed on the Scheme's liabilities for IAS 19, although this will be partially offset by an increase in the value of the Scheme's bond holdings.
Inflation risk	A proportion of the Scheme's benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect against extreme inflation). The majority of the assets are either unaffected by or only loosely correlated with inflation, meaning that an increase in inflation will also increase the deficit.
Life expectancy	The majority of the Scheme's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the liabilities.

The Company and Trustees have agreed a long-term strategy for reducing investment risk as and when appropriate. This includes an asset-liability matching policy which aims to reduce the volatility of the funding level of the Scheme by investing in assets such as swaps which perform in line with the liabilities of the Scheme so as to protect against inflation being higher than expected.

Sensitivity to key assumptions

The key assumptions used for IAS 19 are: discount rate, inflation and mortality. The sensitivity of the results to these assumptions is as follows:-

3 February 2018

	Scheme assets	DBO	Surplus/(Deficit)
	£'000	£'000	£'000
Current figures	30,252	(29,366)	886
Following a 0.25% p.a. decrease in the discount rate	30,252	(30,583)	(331)
Following a 0.25% p.a. increase in the RPI inflation assumption	30,252	(29,962)	290
Following an increase in the life expectancy of one year	30,252	(30,651)	(399)

28 January 2017

	Scheme assets	DBO	Surplus
	£'000	£'000	£'000
Current figures	29,606	(26,973)	2,633
Following a 0.25% p.a. decrease in the discount rate	29,606	(28,078)	1,528
Following a 0.25% p.a. increase in the RPI inflation assumption	29,606	(27,506)	2,100
Following an increase in the life expectancy of one year	29,606	(28,201)	1,405

The sensitivity information shown above is approximate and has been determined taking into account the duration of the liabilities and the overall profile of the Scheme membership. This is the same approach as has been adopted in previous periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the 53 week period ended 3 February 2018

4. EMPLOYEE BENEFITS (continued)

Maturity Profile of the Scheme

The defined benefit obligation includes benefits for deferred pensioners and current pensioners. Some of the deferred pensioners are still current employees, but this does not directly impact their benefits from the Scheme as there is no longer a link between their salary and their Scheme benefits.

The defined benefit obligation is broadly split 40%/60% between deferred pensioners and current pensioners. The Scheme duration is an indicator of the weighted-average time until benefit payments are made. For the Scheme as a whole, the duration is around 17 years.

5. FINANCE INCOME AND EXPENSES

Finance income arose as follows:

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Finance income		
Interest income on cash deposits	21	11
Interest on pension scheme assets	83	125
Fair value movement on derivative instruments	583	213
Gain on translation of loan	390	-
Total finance income for the period	1,077	349

Finance expenses arose on financial liabilities as follows:

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Finance expense		
Loss on translation of loan	-	(2,787)
Total interest expense on financial liabilities measured at amortised cost	(3,629)	(3,514)
Amortisation of deferred finance costs	(4,231)	(1,316)
Other interest expense	(69)	(188)
Fair value movement on option liability	(672)	(2,995)
Total finance expense for the period	(8,601)	(10,800)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

6. PROFIT BEFORE TAXATION

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
The profit before taxation is stated after charging the following:		
Depreciation-plant and equipment owned	2,891	3,520
Amortisation of intangible assets	2,380	2,313
Operating lease expense	5,624	4,596
Auditors' remuneration:		
Audit of these financial statements	53	39
Audit of financial statements of subsidiaries	138	139
Non audit services provided by PricewaterhouseCoopers LLP	159	132
Foreign exchange (gains)/ losses	(390)	2,787
And after crediting the following:		
Other operating income	3,570	2,331

7. TAXATION

The taxation charge for the period in the Income Statement arose as follows:

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Current Tax		
Total Overseas tax suffered in the period	(1,708)	(1,854)
Adjustments in respect of prior periods	-	(3)
Total current tax for the period	(1,708)	(1,857)
Deferred tax		
Deferred tax (charge)/credit	(582)	5,852
Total deferred tax for the period	(582)	5,852
Total taxation (charge)/credit	(2,290)	3,995

No tax was recognised directly in equity during the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

7. TAXATION (Continued)

The average current tax charge for the period is higher (2017: higher) than the standard rate of corporation tax in the UK of 19.17% (2017: 20%). The differences are explained below:

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Profit on ordinary activities before tax	6,997	1,671
Profit on ordinary activities multiplied by the average rate for the period of 19.17% (2017: 20%)	1,341	334
Effects of:		
Adjustments in respect of prior periods	-	3
Income not subject to tax	-	(15)
Expenses not deductible for tax purposes	788	638
Other short term timing differences	(108)	(390)
Utilisation of tax losses	-	(783)
Overseas tax rate higher than UK tax rate	281	776
Effect of change in tax rate	-	397
Adjustment in respect of deferred tax asset not previously recognised	9	897
Additional deduction for land remediation expenditure	(1)	-
Other fixed asset timing differences	42	-
Depreciation in excess of capital allowances	493	-
Unrelieved tax losses and other deductions	(1,137)	-
Current taxation charge	1,708	1,857
	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Deferred tax		
Movement in deferred tax not recognised	340	(5,335)
Prior period losses not utilised	-	(322)
Adjustments in respect of prior periods	242	-
Movement in period	-	772
Effect of change in tax rate	-	(967)
Deferred taxation charge/(credit)	582	(5,852)
Total taxation charge/(credit)	2,290	(3,995)

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 deferred tax on temporary differences and tax losses has been calculated at the rate applicable to the period in which the temporary differences and tax losses are expected to reverse.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the 53 week period ended 3 February 2018

8. INTANGIBLE ASSETS AND GOODWILL

	Goodwill	Design Archive	Brand Portfolio	Concession Agreements	Customer Relationships	Computer Software	Assets under construction	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 31 January 2016									
Cost or valuation	39,942	42,100	73,400	1,000	11,500	4,954	1,516	-	174,412
Accumulated amortisation	-	-	-	(270)	(2,264)	(1,952)	-	-	(4,486)
Net book amount	39,942	42,100	73,400	730	9,236	3,002	1,516	-	169,926
Period ended 28 January 2017									
Opening net book amount	39,942	42,100	73,400	730	9,236	3,002	1,516	-	169,926
Additions	-	-	-	-	-	228	1,348	-	1,576
Transfer	-	-	-	-	-	2,864	(2,864)	-	-
Amortisation	-	-	-	(125)	(1,045)	(1,143)	-	-	(2,313)
Closing net book amount	39,942	42,100	73,400	605	8,191	4,951	-	-	169,189
At 28 January 2017									
Cost or valuation	39,942	42,100	73,400	1,000	11,500	8,046	-	-	175,988
Accumulated amortisation	-	-	-	(395)	(3,309)	(3,095)	-	-	(6,799)
Net book amount	39,942	42,100	73,400	605	8,191	4,951	-	-	169,189
Period ended 3 February 2018									
Opening net book amount	39,942	42,100	73,400	605	8,191	4,951	-	-	169,189
Additions	-	-	-	-	-	-	-	12	12
Amortisation	-	-	-	(125)	(1,046)	(1,209)	-	-	(2,380)
Closing net book amount	39,942	42,100	73,400	480	7,145	3,742	-	12	166,821
At 3 February 2018									
Cost or valuation	39,942	42,100	73,400	1,000	11,500	8,046	-	12	176,000
Accumulated depreciation	-	-	-	(520)	(4,355)	(4,304)	-	-	(9,179)
Net book amount	39,942	42,100	73,400	480	7,145	3,742	-	12	166,821

The carrying value of goodwill is allocated to each cash generating unit as follows:

	3 February 2018	28 January 2017
	£'000	£'000
Retail	22,585	22,585
Wholesale	16,707	16,707
Christys	650	650
Total	39,942	39,942

The brand portfolio and design archive intangible assets are deemed to have an indefinite economic life due to the durability of the underlying business which has been demonstrated over many years. The customer relationships and concession agreements intangible assets were assessed to have a useful economic life of 11 years and 8 years, respectively.

Concession agreements and customer relationships are reviewed annually for impairment and amortised over their useful economic lives. The amortisation charge is recognised in administration costs in the income statement.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**

8. INTANGIBLE ASSETS AND GOODWILL (continued)

Goodwill, the design archive and the brand portfolio are not amortised but tested for impairment annually. Value in use calculations underpinning the fair value are contrasted against financial performance in the period and forecast cash flows based on the 2018/19 budget and strategic plan, both of which have been approved by the Board.

The key assumptions used in value in use calculations are:

- **Sales:** projected sales are built up with reference to markets and product categories. They incorporate past performance, historical growth rates and developments in key markets.
- **Margins:** projected margins reflect historical performance and the impact of all completed projects to improve operational efficiency and leverage scale. The projections do not include the impact of future restructuring projects to which the Group is not yet committed.
- **Discount rate:** the discount rate has been calculated based on the Group's weighted average cost of capital and risks specific to the CGU being tested. A rate of 13% has been used for the impairment testing.
- **Growth rate:** 8.3% growth has been applied to the five year cashflow model, being the average CAGR rate achieved by the Group in the last eight years. Terminal growth of 2% has been applied beyond this period.

A sensitivity analysis has been performed in assessing the recoverable amounts goodwill. This has been based on changes in key assumptions considered to be possible by management. This included an increase in the discount rate of up to one percent and a decrease in the long term growth rate of up to one percent. The sensitivity analysis showed that no impairment would arise under each scenario.

The Company has tested all material goodwill and indefinite-life intangible assets for impairment. No impairments were identified. In the opinion of the Directors, the value of the investment is not less than the value at which it is included in the Statement of Financial Position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

9. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings £'000	Fixtures and Fittings £'000	Computer Equipment £'000	Plant and Machinery £'000	Assets Under Construction £'000	Total £'000
At 31 January 2016						
Cost or valuation	1,989	7,026	1,887	4,722	-	15,624
Accumulated depreciation	-	(3,955)	(833)	(1,000)	-	(5,788)
Net book amount	1,989	3,071	1,054	3,722	-	9,836
Period ended 28 January 2017						
Opening net book amount	1,989	3,071	1,054	3,722	-	9,836
Additions	-	1,881	408	2,399	-	4,688
Disposals	-	-	-	(2)	-	(2)
Exchange differences	197	21	-	403	-	621
Depreciation	(54)	(1,958)	(587)	(832)	-	(3,431)
Closing net book amount	2,132	3,015	875	5,690	-	11,712
At 28 January 2017						
Cost or valuation	2,186	7,019	1,973	7,510	-	18,688
Accumulated depreciation	(54)	(4,004)	(1,098)	(1,820)	-	(6,976)
Net book amount	2,132	3,015	875	5,690	-	11,712
Period ended 3 February 2018						
Opening net book amount	2,132	3,015	875	5,690	-	11,712
Additions	-	2,836	1,141	345	363	4,685
Disposals	(2,092)	(247)	-	(50)	-	(2,389)
Exchange differences	-	(7)	-	164	-	157
Depreciation	(40)	(1,337)	(544)	(970)	-	(2,891)
Closing net book amount	-	4,260	1,472	5,179	363	11,274
At 3 February 2018						
Cost or valuation	-	6,759	2,127	7,967	363	17,216
Accumulated depreciation	-	(2,499)	(655)	(2,788)	-	(5,942)
Net book amount	-	4,260	1,472	5,179	363	11,274

10. OTHER FINANCIAL ASSETS

	3 February 2018 £'000	28 January 2017 £'000
Total	834	865

Other financial assets consists of a lease premium in relation to the Flagship store on Great Marlborough Street.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

11. INVENTORIES

	3 February 2018 £'000	28 January 2017 £'000
Raw materials	3,845	3,521
Work in progress	-	6
Finished goods	19,345	19,722
	23,190	23,249

£56,748,000 (2017: £60,818,000) of inventory was recognised within cost of sales in the period.

£(744,000) (2017: £28,000) of inventory provisions were (expensed)/released to the consolidated income statement during the period, in line with sales of discontinued and discounted stock.

The net realisable value of inventory is reviewed on a divisional basis. Retail inventory is assessed by season. The wholesale division provisioning is based on the achieved margin for each product line. Imperfect and obsolete inventory is fully provided for.

12. TRADE AND OTHER RECEIVABLES

	3 February 2018 £'000	28 January 2017 £'000
Trade receivables	12,352	12,104
Other receivables	904	1,555
Prepayments and accrued income	1,921	1,662
	15,177	15,321

The Group's exposure to credit risk related to trade and other receivables is disclosed in note 17.

13. TAX RECOVERABLE / (PAYABLE)

	3 February 2018 £'000	28 January 2017 £'000
Japanese corporation tax	(322)	(171)
Italian corporation tax	192	(259)
UK corporation tax	-	-
	(130)	(430)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

14. TRADE AND OTHER PAYABLES

	3 February 2018 £'000	28 January 2017 £'000
Trade payables	21,606	21,073
Other payables	2,567	3,681
Other tax and social security	725	744
Accruals and deferred income	9,668	5,394
	34,566	30,892

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 17.

15. LOANS AND BORROWINGS

The Group's loans at the reporting date were as follows:

	3 February 2018 £'000	28 January 2017 £'000
Non-current liabilities		
Secured bank loans	62,005	43,960
Finance leases	22	1,553
	62,027	45,513
Current liabilities		
Current portion of secured bank loans	856	11,911
Finance leases	257	448
	1,113	12,359
Total loans and borrowings	63,140	57,872

Bank loans are disclosed net of deferred financing fees which are amortised over the term of the debt.

The Group's loans bore variable rates of interest as at the reporting date as follows:

	Currency	Nominal interest rate	Year of maturity	Face value and carrying amount £'000
Term Loan A1	GBP	LIBOR plus 6.66%	2024	53,932
Term Loan A2	Yen	LIBOR plus 6.66%	2024	6,075
Term Loan A3	GBP	LIBOR plus 6.66%	2024	4,797
Capital Expenditure Facility	EUR	LIBOR plus 6.66%	2024	-
Revolving Credit Facility	GBP	LIBOR plus 3%	2023	-
Intesa San Paolo	EUR	EURIBOR plus 0.4%	2018	441
Gruppo UBI	EUR	EURIBOR plus 1.8%	2018	179
Gruppo UBI	EUR	EURIBOR plus 0.95%	2020	540
Total loans and borrowings at 3 February 2018				65,964

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

16. DEFERRED TAX LIABILITY

The deferred tax assets and liabilities at 3 February 2018 arose as follows:

	Short term timing differences	Intangible Assets	Recognised Losses	Accelerated capital allowance	3 February 2018 Total Liability
	£'000	£'000	£'000	£'000	£'000
Brought forward at 29 January 2017	(231)	(23,616)	4,503	5,744	(13,800)
Prior period adjustment	(153)	-	9	(98)	(242)
Movement in period	238	222	(1,328)	528	(340)
Closing asset/(liability) as at 3 February 2018	(146)	(23,394)	3,184	6,174	(14,182)

	3 February 2018 £'000	28 January 2017 £'000
Deferred tax assets not provided		
Accelerated capital allowances	127	126
Trading tax losses	2,980	2,861
Short term timing differences	(111)	-
Prior period adjustment	89	-
Deferred tax assets not recognised at period end	3,085	2,987

Deferred tax assets not provided

The Group has gross tax assets totalling £16.2m (2017: £15.8m) on which deferred tax assets have not been recognised. The potential deferred tax asset of £3.08m (2017: £32.99m), the majority of which relates to losses, has not been recognised on the consolidated Statement of Financial Position as at 3 February 2018 due to uncertainty as to timing and use of these net tax assets, particularly the trading losses which are restricted in their use, these net tax assets have not been recognised as an asset in the consolidated Statement of Financial Position at 3 February 2018 but continue to be available as required.

No deferred tax liability is provided in respect of future remittance of earnings of foreign subsidiaries where the Group is able to control the remittance of earnings and it is probable that such earnings will not be remitted in the foreseeable future or where no liability would arise on remittance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the 53 week period ended 3 February 2018

17. FINANCIAL INSTRUMENTS

Fair values of financial instruments

The following tables show the carrying amounts and fair values of the Group's financial instruments at 3 February 2018 and 28 January 2017. The carrying amounts are included in the consolidated Statement of Financial Position. The fair values of the financial instruments are the amounts at which the instruments could be exchanged in a current transaction between willing parties and are based on Level 1 inputs.

	3 February 2018	28 January 2017
	£'000	£'000
Derivative		
Fair value of interest rate swap	781	1,364
Fair value of FX forward contracts	(31)	-
Fair value of non-controlling interest option	-	4,122
Liability at 3 February 2018	750	5,486

The carrying amounts of financial assets and liabilities, together with their fair values at 3 February 2018, were as follows:

	3 February 2018 Carrying amount	Fair value
	£'000	£'000
Non-Derivative		
Trade and other receivables	15,177	15,177
Cash and cash equivalents	22,747	22,747
Secured bank loan	(65,964)	(65,964)
Trade and other payables	(34,566)	(34,566)
	(62,606)	(62,606)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

	Carrying amount	Contractual cash flows	1 year or less	1 to <2years	2 to <5years	> 5 years
	£'000	£'000	£'000	£'000	£'000	£'000
Non-derivative financial liabilities						
Secured bank loans	65,964	65,964	856	236	68	64,804
Interest payable	56	25,792	4,310	4,296	12,890	4,296
Finance leases	278	278	258	20	-	-
Total	66,298	92,034	5,424	4,552	12,958	69,100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the 53 week period ended 3 February 2018

17. FINANCIAL INSTRUMENTS (continued)

Capital management policy

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and in order to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the group monitors the following ratios:

- Net leverage
- Liquidity

The above ratios are reviewed on a quarterly basis to ensure covenant compliance. The group was covenant compliant throughout the period.

The gearing ratios as at 3 February 2018 and 28 January 2017 are as follows:

	3 February 2018 £'000	28 January 2017 £'000
Total loans and borrowings (note 15)	63,140	57,872
Cash and cash equivalents	(22,747)	(11,095)
Net debt	40,393	46,777
Total share capital	102,504	97,635
Total capital	142,897	144,412
Gearing ratio	28%	32%

Interest rate risk

The interest payable above includes contractual interest payable on secured and unsecured bank loans. The Acquisition Financing rates of interest vary in line with LIBOR, and in line with the consolidated Group ratio of debt to EBITDA.

The financial liability contractual maturity table includes interest payable at these fixed rates applied as at 3 February assuming no reduction in the interest rate from an improved debt to EBITDA covenant ratio.

With effect from 31 July 2014, the Group fixed 66% of its LIBOR interest rate exposure on the Acquisition Financing for 5 years. Debt denominated in Sterling was fixed using a "step up interest rate swap" at rates from 0.875% in year one to 3% in year five. Debt denominated in Yen was fixed at 0.363%. The interest rate swap hedged 66% of the amortising principle balance anticipated under the debt arrangement extinguished in the period. Post year end the Group implemented additional interest rate protection in line with the amended Senior Facilities Agreement.

Financial risks

The Group has exposure to the following principal financial risks in the operation and management of its business:

- (i) Liquidity risk;
- (ii) Market risk;
- (iii) Currency risk; and
- (iv) Credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the 53 week period ended 3 February 2018

17. FINANCIAL INSTRUMENTS (continued)

Set out below is information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing risk:

Liquidity risk

The Group's treasury policies are designed to ensure that sufficient committed loan facilities are available to support current and future business requirements. Cash and loan management is a core feature of the Board's business model and rolling cash flow forecasts, updated on a weekly basis, are controlled by the Directors and senior executives to manage these requirements.

Liquidity risk - maturity analysis	3 February 2018	3 February 2018	3 February 2018
	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years
	£'000	£'000	£'000
Non derivative financial liabilities			
Trade and other payables	33,394	-	1,172

Market risk

Market risk that affects the Group is the risk that changes in market prices, such as interest rates, foreign currency rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of the Group's market risk management is to manage and control market risk exposures within acceptable parameters, while seeking to optimise returns to shareholders. The Group does not enter into hedge contracts on a speculative or trading basis.

Equity price risk arises generally from available-for-sale equity securities held within the Liberty Retail Limited pension scheme. These investments are held to meet the funded and unfunded portion of the Group's defined benefit pension obligations. Material investments within the portfolio are managed on an individual basis and all material buy and sell decisions are approved by the Trustees of the pension scheme, one of which is a senior executive of the Group.

The primary goal of the Group's available-for-sale equity securities investment strategy is to maximise investment returns commensurate with acceptable levels of risk, in order to meet as much as possible the Group's defined scheme pension obligations. Management is assisted in this regard by professional external advisors. Further details are contained in Note 4 Employee Benefits.

Market risk - Foreign currency risk

67% of the Group revenue and 65% of the Group's purchases are denominated in Sterling, the Group's functional currency. Payments in Yen accounted for 10%; payments in Euros accounted for 21% and payments in US dollars accounted for 3% of total payments in the period. Receipts in Yen accounted for 13%; receipts in Euros accounted for 15% and receipts in US dollars accounted for 4% of total receipts in the Period.

As 89% of the Group's net assets are denominated in Sterling, the Group did not have a material exposure to foreign currency risk at 3 February 2018. The remaining 11% of Group net assets are denominated in Japanese Yen and Euros.

The Senior Facilities Agreement includes a term loan which is denominated in Yen. Accordingly, strengthening of Sterling against the Yen did not have had a material net effect on the Group at 3 February 2018.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations. The risk to the Group arises principally from the Group's receivables from customers. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the general default risk in the principal sectors in which the Group operates, has less of an influence on credit risk. The Group maintains credit insurance which protects against bad debts that may arise, with an excess of £2,000 payable per claim.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

17. FINANCIAL INSTRUMENTS (continued)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	3 February 2018 £'000	28 January 2017 £'000
Trade receivables	12,352	12,104

The ageing of trade receivables at 3 February 2018 was as follows:-

	Gross 3 February 2018 £'000	Impairment provision 3 February 2018 £'000
Not overdue	11,578	-
0-30 days overdue	280	-
31-120 days overdue	411	92
120 days + overdue	83	81
Total	12,352	173

The impairment provision at 3 February 2018 of £173,000 (2017: £214,000) relates to debts mainly from overseas customers that are not covered by insurance.

The Directors believes that no material amount of impairment allowance is necessary in respect of trade receivables not past due or past due by up to 120 days. The majority of the balance relates to customers that have good financial track records with the Group.

The movement in the allowance for impairment in respect of trade receivables during the period was as follows:

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Balance brought forward	(214)	(196)
Decrease/ (increase) in provision	41	(18)
Balance at end of period	(173)	(214)

The allowance account for trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts considered irrecoverable are written off against the trade receivables directly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

18. PROVISIONS

	53 week period ended 3 February 2018 £'000	52 week period ended 28 January 2017 £'000
Asset removal obligation	80	63
Balance at end of period	80	63

19. SHARE CAPITAL

	3 February 2018 £'000	28 January 2017 £'000
Allotted, called up and fully paid		
Share capital (103,605,337 (2017: 100,054,000) shares in issue)	1,036	1,000
Share premium	104,004	99,020
Total parent company share capital	105,040	100,020
Treasury shares	(2,536)	(2,385)
Total consolidated share capital	102,504	97,635

The Company's issued share capital at 3 February 2018 comprises A and B ordinary shares plus C1 and C2 Management Incentive Shares. The A and B ordinary shares carry the right to vote. The C1 and C2 shares do not have voting rights.

During the period the Company issued £5,017,350 of A3 shares as consideration for the acquisition of the minority interest of Stamperia Olonia Srl.

During the period the Group acquired 5,000 (2017: 2,265,000) of its own shares. The total amount paid to acquire the shares was £151,000 (2017: £2,385,000). These shares are held as 'treasury shares'. The Group has the right to re-issue these shares at a later date.

Dividends on ordinary shares

No ordinary dividends were declared during the period. Holders of A and B ordinary shares are entitled to receive dividends per share as declared from time to time and are entitled to one vote per share at Shareholder meetings of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the 53 week period ended 3 February 2018

20. COMMITMENTS AND GUARANTEES

Operating lease commitments

Non-cancellable operating lease commitments of the Group relate to land and buildings. These expire in years subsequent to 3 February 2018 and involve total payments in future years as follow:

	3 February 2018	28 January 2017
	£'000	£'000
Within one year	4,923	4,61
Between one and five years	17,033	14,90
After more than five years	75,201	72,69
	97,157	92,201

Guarantees

Select entities of the Group form the Obligor group which guarantee the Group's Senior Facilities.

As further disclosed in Note 29, some of the Company's subsidiaries have taken advantage of the exemption available under Section 479A of the Companies Act 2006 in respect of the requirement for audit. As a condition of the exemption, the Company has guaranteed the year-end liabilities of the relevant subsidiaries until they are settled in full. The liabilities of the subsidiaries at the year-end was £199,000 (2017: £243,000).

21.a RELATED PARTY DISCLOSURES

Liberty Zeta Limited is the ultimate parent company of the Group. In the opinion of the Directors there is no ultimate controlling party.

During the period, a Director of Stamperia Olonia Srl exercised their call option to buy part of the Olonia factory. The purchase price methodology was determined at the time of the initial acquisition of Olonia in 2013. A net loss of £235,000 was recognised on the sale of the facility in the period.

The land and buildings utilised by Stamperia Olonia Srl are owned by one of the Directors of Olonia. Olonia pays rent for occupying and utilising the land and buildings which is calculated on an arm's length basis. Rent of £455,000 (2017: £257,000) was paid during the period.

In addition to the above, Liberty Retail Limited purchased goods totalling £56,000 (2017: £45,000), from other entities included within the private equity fund portfolio. Liberty Fabric Limited sold goods totalling £94,000 (2017: £227,000) to another entity included within the private equity fund portfolio. Liberty of London Limited sold goods totalling £3,000 and £6,000 to two separate investors in Liberty Zeta Limited.

21.b SUBSEQUENT EVENTS

On 29th May 2018, the Directors of Stamperia Olonia Srl signed a new Senior Facilities Agreement. The facility was obtained as part of a Group treasury strategy to minimise the Group's cost of financing; the unitranche loan with a total value of €10,000,000 is to be used in full to partially repay the senior debt drawn by the Group in the United Kingdom.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**

Report on the audit of the parent company financial statements**Opinion**

In our opinion, Liberty Zeta Limited's parent company financial statements (the "financial statements");

- give a true and fair view of the state of the parent company's affairs as at 3 February 2018 for the 53 week period (the "period") then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; 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 Parent Company Statement of Financial Position as at 3 February 2018; the Parent Company Statement of Changes in Equity for the 53 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 group 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

We have nothing to report in respect of the following matters in relation to which 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 parent 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the parent company's ability to continue as a going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

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 3 February 2018 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 parent 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 6, 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 parent 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 parent 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.

Use of this report

This report, including the opinions, has been prepared for and only for the parent 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

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 parent 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.

Other matter

We have reported separately on the group financial statements of Liberty Zeta Limited for the 53 week period ended 3 February 2018.



Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP, Statutory Auditor
Chartered Accountants
1 Embankment Place
London
WC2N 6RH
31 May 2018

PARENT COMPANY STATEMENT OF FINANCIAL POSITION
at 3 February 2018

		3 February 2018	28 January 2017
	Note	£'000	£'000
Fixed Assets			
Investment in subsidiary undertakings	23	99,835	99,835
Current Assets			
Trade and other receivables	24	7,561	2,461
Current Liabilities			
Trade and other payables	25	(2,684)	(2,479)
Net Current Assets/ (Liabilities)		4,877	(18)
Net Assets		104,712	99,8
Capital and Reserves			
Share capital	19	105,040	100,020
Loss for the financial period		(125)	(9)
Retained earnings		(203)	(194)
Total Equity		104,712	99,817

The parent company has no cash flows, therefore no cash flow statement has been prepared.

The notes on pages 52 to 55 form part of these financial statements.

The financial statements were approved by the Board of Directors on 31 May 2018 and signed on its behalf by:



Adil Mehboob-Khan
 Director

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY
for the 53 week period ended 3 February 2018

	Share capital £'000	Retained earnings £'000	Total Equity £'000
Balance at 30 January 2016	100,019	(194)	99,825
Issue of shares	1	-	1
Loss for the financial period	-	(9)	(9)
Balance at 28 January 2017	100,020	(203)	99,817
Issue of shares	5,020	-	5,020
Loss for the financial period	-	(125)	(125)
Balance at 3 February 2018	105,040	(328)	104,712

The notes on pages 52 to 55 form part of these financial statements.

NOTES TO PARENT COMPANY FINANCIAL STATEMENTS for the 53 week period ended 3 February 2018

22. ACCOUNTING POLICIES FOR PARENT COMPANY FINANCIAL STATEMENTS

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared on a going concern basis in the manner disclosed in Note 1 to the Consolidated Financial Statements.

Under section 408(4) of the Companies Act 2006, the Company is exempt from the requirement to present its own income statement. These financial statements present information about the Company as an individual undertaking and not about its Group.

The company financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

Investment in subsidiary undertakings

The interest of the Company in the shares of subsidiary undertakings is stated at cost less any provision for impairment. The carrying values of fixed asset investments are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. An impairment is recognised by comparing the carrying amount to the higher of the recoverable amount and value in use.

Financial Instruments

Trade receivables are initially recognised at fair value and subsequently held at amortised cost less provisions for impairment. A provision for impairment of trade receivables is established when there is evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The movement in the provision is recognised in the income statement. Trade payables, defined as financial liabilities in accordance with IAS 39, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. All of the trade payables are non-interest bearing.

23. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	3 February 2018 £'000	28 January 2017 £'000
Investment in subsidiary undertakings	99,835	99,835

The results of all subsidiary undertakings of the Company have been included in the consolidated financial statements.

The subsidiary undertakings of the Company at 3 February 2018, all of which are engaged in retail, wholesale and printing operations or related activities, or act as intermediary holding, financing and management companies for such operations, were as follows:

NOTES TO PARENT COMPANY FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

23. INVESTMENT IN SUBSIDIARY UNDERTAKINGS (continued)

Name of undertaking	Principal Activity	Classes of issued share capital held by the Group	Percentage held within the Group	Immediate holding company in the Group
Lothian Shelf (725) Limited	Holding company	Ordinary	100%	Liberty Zeta Limited
Liberty Theta Limited	Financing	Ordinary	100%	Liberty Zeta Limited
Liberty Kappa Limited	Financing	Ordinary	100%	Liberty Zeta Limited
BlueGem Alpha Limited	Holding company	Ordinary	100%	Liberty Theta Limited
Liberty Gamma Holdings Limited	Holding company	Ordinary	100%	BlueGem Alpha Limited
Liberty Limited	Financing	Ordinary	100%	Liberty Gamma Holdings Limited
Liberty Retail Limited	Retail	Ordinary	100%	Liberty Limited
Liberty Fabric Limited	Wholesale	Ordinary	100%	Liberty Retail Limited
Liberty Investment Limited	Holding company	Ordinary	100%	Liberty Fabric Limited
Liberty Japan Co. Limited (1)	Wholesale	Ordinary	100%	Liberty Investment Limited
Liberty Fabrics Limited (2)	Wholesales	Ordinary	100%	Liberty Limited
Liberty Comercio e Industria de tecido Limited (3)	Wholesale	Ordinary	100%	Liberty Limited
Liberty (Shanghai) Trading Co. Limited (4)	Wholesale	Ordinary	100%	Liberty Hong Kong Asia Pacific Limited
Liberty of London Limited	Wholesale	Ordinary	100%	Liberty Limited
C W Headdress Limited (5)	Retail	Ordinary	100%	Liberty Limited
Christy & Co. Limited (5)	Retail	Ordinary	100%	C W Headdress Limited
Christys of London Limited (5)	Dormant	Ordinary	100%	C W Headdress Limited
Retail Stores Property Holdings Limited	Holding company	Ordinary	100%	Liberty (Regent and Tudor) Holdings Limited
Stamperia Olonia Srl (6)	Manufacturing	Ordinary	100%	Liberty Limited
Retail Stores Property Holdings No 1. Limited	Dormant	Ordinary	100%	Liberty Limited
Retail Stores Property Holdings No 2. Limited	Dormant	Ordinary	100%	Liberty Limited
Retail Stores Property Holdings No 3. Limited	Dormant	Ordinary	100%	Retail Stores Property Holdings No 2. Limited
Liberty (Regent and Tudor) Holdings No. 1 Limited	Dormant	Ordinary	100%	Liberty Limited
Liberty (Regent and Tudor) Holdings Limited	Dormant	Ordinary	100%	Liberty (Regent and Tudor) Holdings No. 1 Limited
Liberty Centres Limited	Dormant	Ordinary	100%	Liberty (Regent and Tudor) Holdings Limited
Liberty Tudor Property Limited	Dormant	Ordinary	100%	Retail Stores Property Holdings Limited
Liberty Tudor Property No 2. Limited	Dormant	Ordinary	100%	Retail Stores Property Holdings Limited
Liberty Properties Link Owner Limited	Dormant	Ordinary	100%	Retail Stores Property Holdings Limited
Liberty Properties Link Owner No 2. Limited	Dormant	Ordinary	100%	Retail Stores Property Holdings Limited
Liberty Regent Street Limited	Dormant	Ordinary	100%	Retail Stores Property Holdings Limited

NOTES TO PARENT COMPANY FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018

23. INVESTMENT IN SUBSIDIARY UNDERTAKINGS (continued)

All entities are incorporated in England and Wales, except where detailed otherwise, and are registered at 210-220 Regent Street, London, W1B 5AH.

- (1) Incorporated and operates in Japan. Registered address: 2F Ebisu Park Plaza, 1-9-6 Ebisu Minami, Shibuya-ku, Tokyo, 150-0022 Japan
- (2) Incorporated and operates in the United States of America. Registered address: 584 Broadway, Suite 604, New York, NY 10012
- (3) Incorporated and operates in Brazil. Registered address: 1164 Rua Piaui, Sao Paulo, Brazil
- (4) Incorporated and operates in China. Registered address: 42F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
- (5) Registered address: Unit 7, Witan Park, Avenue 2, Station Lane, Witney, Oxfordshire, OX28 4FH
- (6) Incorporated and operates in Italy. Registered address: Via A.Colombo 65, Gorla Minore, Varese, Italy

24. TRADE AND OTHER RECEIVABLES

	3 February 2018 £'000	28 January 2017 £'000
Other receivables	158	4
Deferred financing fees	-	71
Amounts due from subsidiary undertakings	7,403	2,386
	7,561	2,461

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

25. TRADE AND OTHER PAYABLES

	3 February 2018 £'000	28 January 2017 £'000
Amounts due to subsidiary undertakings	2,684	2,479
	2,684	2,479

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

**NOTES TO PARENT COMPANY FINANCIAL STATEMENTS
for the 53 week period ended 3 February 2018**

26. STAFF COSTS AND REMUNERATION OF DIRECTORS

The Company had no employees during the period. The Directors did not receive remuneration from the Company in respect of their services to the Company during the period (2017: nil). Three Directors (2017: one) received remuneration from a subsidiary of the Company.

27. ULTIMATE HOLDING COMPANY

In the opinion of the Directors there is no ultimate controlling party.

28. GUARANTEES

The Company is a guarantor of the Group's Senior Facilities.

29. AUDIT EXEMPTION

Audit Exemption under section 479A of the Companies Act 2006

The Directors consider that subsidiaries of the Group are entitled to exemption from the requirement to have an audit under the provision of section 479A of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Act.

Liberty Zeta Limited has guaranteed the liabilities of the following subsidiaries in order that they qualify for the exemption from audit under Section 479A of the Companies Act 2006 in respect of the period ended 3 February 2018:

- Liberty Gamma Holdings Limited
- BlueGem Alpha Limited
- Liberty Investment Limited
- Christys and Co. Limited
- C W Headdress Limited
- Liberty Lease Limited
- Lothian Shelf (725) Limited
- Lothian Shelf (728) Limited

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.