

Registration No: NI 5449

Calvin Klein Stores UK Limited

Annual Report and Financial Statements

For the 13 month period ended 2 February 2014



Calvin Klein Stores UK Limited

Annual Report and Financial Statements for the period ended 2 February 2014

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Company information

Directors

D Grieder
L Onnink
M Hagman
D Pyne

Company Secretary

P Chotai

Independent Auditors

PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors
Benson House
33 Wellington Street
Leeds
LS1 4JP

Registered office

c/o Elliott Duffy Garrett Solicitor
Royston House
34 Upper Queen Street
Belfast
BT1 6FD

Calvin Klein Stores UK Limited

Directors' report for the period ended 2 February 2014

The directors present their Annual Report and the audited Financial Statements of the company for the 13 months ended 2 February 2014. The comparative year is for 12 months ended 29 December 2012.

Results for the period/year

Key financial data for the business is as follows:

	2014 £'000	2012 £'000
Turnover	41,562	63,043
Operating profit	1,409	3,282

The profit for the period/year, after taxation, attributable to the shareholders amounted to £1,020,000 (2012: £2,675,000) on turnover of £41,562,000 (2012: £63,043,000).

Dividends

The directors do not recommend the payment of a dividend (2012: £Nil).

Going concern

The company continues to generate a profit, is in a net current assets position, and has access to sufficient financial resources and support from within the group. As a consequence, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

On 13 February 2013, Warnaco Group Inc ('Warnaco') the previous ultimate parent company and PVH Corp ('PVH') entered into a definitive merger whereby PVH acquired Warnaco.

On 19 June 2013 the company changed its name to Calvin Klein Stores UK Limited (formerly Warnaco (UK) Limited).

Future developments

A drop in turnover for the year has been due to the Intimate Apparel division now being operated by Calvin Klein Europe BV and also the result of the closure of loss making stores. These closed stores are being replaced by new stores and management consider that the next year will show a growth in turnover, from additional store openings and concession opportunities. In the years following the aim will shift from top line to bottom line increase. There will be a focus on realising turnover growth through existing stores with a steady or reduced cost.

Disabled employees

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The company gives full and fair consideration to applications for employment for disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the company. If members of staff become disabled the company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

Calvin Klein Stores UK Limited

Directors' report for the period ended 2 February 2014 (continued)

Employee involvement

The company systematically provides employees with information on matters of concern to them, consulting them regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the company is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the company plays a major role in maintaining its standards. The company encourages the involvement of employee's by means of seasonal retail conferences enabling employees to meet and discuss the performance of the business, present ideas for improvement and be informed with new product development.

Employees are also provided with annual 'Code of Conduct' training to raise awareness and education of the importance of preserving best practice and professional integrity within the company.

Political and charitable donations

During the period/year, the company made no charitable donations (2012: £Nil) and no political donations (2012: £Nil).

Directors

The directors who held office during the period and up to the date of signing the financial statements were:

S Silverstein	Resigned 27 February 2013
L Rutkowski	Resigned 27 February 2013
J Dubiner	Resigned 27 February 2013
M Pagnani	Resigned 27 February 2013
M Gallop	Resigned 15 April 2014
E Macpherson	Resigned 27 February 2013
D Grieder	Appointed 27 February 2013
L Onnink	Appointed 27 February 2013
M Hagman	Appointed 27 February 2013
D Pyne	Appointed 27 February 2013

Calvin Klein Stores UK Limited

Directors' report for the period ended 2 February 2014 (continued)

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing its report, of which the auditors are unaware. Having made enquiries of fellow directors and the company's auditors, each director has taken all steps that he or she is obliged to take as a director in order to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as independent auditors of the company will be proposed at the annual general meeting.

On behalf of the Board



D Pyne

Director

20 March 2015

Calvin Klein Stores UK Limited

Strategic report for the period ended 2 February 2014

Review of business

The principal activity of Calvin Klein Stores UK Limited is the distribution and retailing of men's and ladies foundation garments.

The turnover and the profit of the company for the period/year are set out in the profit and loss account on page 8 and the notes on pages 11 to 22. The turnover for the period/year was £41,562,000 (2012: £63,043,000) generating an operating profit of £1,409,000 (2012: £3,282,000).

Principal risks and uncertainties

As is the case in the industry the risk of an economic slowdown and the consequential reduction in consumption is a risk, which is addressed as far as possible by controlling the fixed cost base.

The company is guaranteed by its parent undertaking within the group, and hence liquidity, cash flow, credit and financing risks are mitigated sufficiently, together with the company's ability to manage its cash generation from its operations.

Key performance indicators

The three main key performance indicators monitored by management are turnover versus prior year and budget, the gross margin percentage and the operating profit.

Total turnover decreased by 34.1% versus last year due to the Intimate Apparel division now being operated by Calvin Klein Europe BV. Retail sales have increased 10.9% due to an additional month within the reporting period.

The gross margin percentage increased from 36.4% to 42.9% due to the closure of some loss making stores.

People

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status.

On behalf of the board



D Pyne

Director

20 March 2015

Calvin Klein Stores UK Limited

Independent auditors' report to the members of Calvin Klein Stores UK Limited

Report on the financial statements

Our Opinion

In our opinion, Calvin Klein Stores UK Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 2 February 2014 and of its profit for the 13 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Calvin Klein Stores UK Limited's financial statements comprise:

- the Balance Sheet as at 2 February 2014;
- the Profit and Loss Account for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Calvin Klein Stores UK Limited

Independent auditors' report to the members of Calvin Klein Stores UK Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Randal Casson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds

20 March 2015

Calvin Klein Stores UK Limited

Profit and loss account for the 13 months ended 2 February 2014

	Notes	13 months ended 2 February 2014 £'000	12 months ended 29 December 2012 £'000
Turnover	2	41,562	63,043
Cost of sales		(23,750)	(40,118)
Gross profit		17,812	22,925
Administrative expenses		(16,403)	(19,643)
Operating profit	4	1,409	3,282
Interest payable and similar charges	5	(44)	(42)
Profit on ordinary activities before taxation		1,365	3,240
Tax on profit on ordinary activities	6	(345)	(565)
Profit for the financial period/year	15,16	1,020	2,675

All operating results arise from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the period and prior year stated above and their historical cost equivalents.

Calvin Klein Stores UK Limited

Statement of total recognised gains and losses for the 13 months ended 2 February 2014

		13 months ended 2 February 2014	12 months ended 29 December 2012
	Notes	£'000	£'000
Profit for the financial year	15, 16	1,020	2,675
Actuarial gain relating to the pension scheme	16	-	125
Other movements	16	-	178
Total gains relating to the year		1,020	2,978

Calvin Klein Stores UK Limited

Balance sheet as at 2 February 2014

	Notes	2 February 2014 £'000	29 December 2012 £'000
Fixed assets			
Goodwill	7	-	508
Tangible fixed assets	8	795	3,497
		795	4,005
Current assets			
Stocks	10	5,495	3,289
Debtors			
- Due within one year	11	15,156	15,748
- Due after one year	11	310	154
Cash at bank and in hand		796	5,945
		21,757	25,136
Creditors: amounts falling due within one year	12	(3,908)	(10,975)
Net current assets		17,849	14,161
Total assets less current liabilities		18,644	18,166
Creditors: amounts falling due after more than one year	12	(1,254)	(1,753)
Pension liability		(219)	(262)
Net assets		17,171	16,151
Capital and reserves			
Called up share capital	14	5,530	5,530
Share premium account	15	20,582	20,582
Capital contribution	15	12,316	12,316
Profit and loss account	15	(21,257)	(22,277)
Total shareholders' funds	16	17,171	16,151

These financial statements on pages 8 to 22 were approved by the Board of Directors on 20 March 2015 and signed on its behalf by:



D Pyne

Director

Registered Number NI 5449

Calvin Klein Stores UK Limited

Notes to the financial statements For the period ended 2 February 2014

1. Accounting policies

Basis of accounting

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

Statement of cash flows

The company's immediate parent company, at 2 February 2014, was a wholly owned subsidiary of Calvin Klein Europe BV who has presented in its consolidated financial statements a cash flow statement. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996).

Related party transactions

As a subsidiary undertaking of Calvin Klein Europe BV, the company has taken advantage of the exemption FRS 8 'Related party disclosures' not to disclose transactions with other wholly owned members of the group headed by Calvin Klein Europe BV.

Turnover

Turnover represents the total amount receivable by the company for the sale of goods after the deduction of value added tax and trade discounts.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase price of the assets and the cost attributable to bringing the assets to their working condition for their intended use.

Depreciation is calculated to write off the cost of fixed assets by annual installments over their estimated economic lives at the following rates:

Leasehold improvements	6 - 33% per annum straight line
Equipment, fixtures and fittings	6 - 33% per annum straight line

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of fixed assets below depreciated historical cost is charged to the profit and loss account.

Stocks

Stocks are valued at the lower of cost and net realisable value. A provision has also been made for slow moving stock as in the prior period.

Deferred lease incentive

Deferred lease incentive relates to capital contributions recorded from landlords. The contributions are being released over the duration of the applicable lease period.

Pensions

The company operates a defined contribution scheme; the pension costs charged in the financial statements represent the contribution payable by the company during the year.

The company's former employees are members of the Warners (UK) Limited defined benefit pension scheme. The pension liability recognised in the Balance sheet in respect of the scheme is the present value of the defined benefit obligation at the Balance sheet date less the fair value of the scheme assets. The company has not complied in full with the disclosure requirements of FRS 17 on the grounds of materiality.

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

1. Accounting policies (continued)

Deferred tax

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

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

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

Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term. The benefits arising from rent free periods are spread across the term of the lease or to the first rent review, whichever is shorter.

2. Turnover

Turnover represents the amounts derived from the provision of goods and services during the period/year which falls within the company's principal activities after deduction of trade discounts and value added tax.

Turnover is recognised upon receipt of goods and services by the customer.

	13 months ended 2 February 2014 £'000	12 months ended 29 December 2012 £'000
Intimate Apparel	8,054	32,817
Retailing	33,508	30,226
	41,562	63,043

All turnover was generated within the United Kingdom.

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

3. Information regarding directors and employees

Directors' remuneration

Two (2012: four) of the directors received remuneration from the company of £846,000 (2012: £1,776,000). The remuneration paid by the company is disclosed below. The remaining directors are directors of other group companies and have their remuneration paid and disclosed in those companies. It is not practicable to allocate their remuneration between services to Calvin Klein Stores UK Limited and other group companies during the period.

	2014 Number	2012 Number
Monthly average number of persons employed		
Sales	461	533
Administration	21	36
	482	569
	13 months ended 2 February 2014 £'000	12 months ended 29 December 2012 £'000
Staff costs during the period (including directors)		
Wages and salaries	9,791	12,386
Social security costs	878	1,097
Other pension costs *	90	54
	10,759	13,537
Directors' remuneration		
Emoluments	690	925
Social security costs	94	190
Compensation for loss of office	62	661
	846	1,776

* Other pension costs include only those items included within operating costs. Items reported elsewhere have been excluded.

The highest paid director received total emoluments of £541,000 (2012: £1,060,000).

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

4. Operating profit

	13 months ended 2 February 2014 £'000	12 months ended 29 December 2012 £'000
Operating profit is after charging:		
Auditors' remuneration – audit services	32	25
Tax services	46	12
Depreciation of tangible fixed assets	645	1,913
Impairment of assets	34	706
Impairment of capital work in progress	-	259
Impairment of goodwill	508	84
Operating lease rentals	6,185	7,183
Foreign exchange (gains)/losses	(240)	35

5. Interest payable and similar charges

	13 months ended 2 February 2014 £'000	12 months ended 29 December 2012 £'000
Interest payable and similar charges	(44)	(41)
Net expense on pension scheme	-	(1)
	(44)	(42)

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

6. Tax on profit on ordinary activities

6a. Tax on profit on ordinary activities

	13 months ended 2 February 2014 £'000	12 months ended 29 December 2012 £'000
Current tax:		
UK Corporation tax at 23.22 % (2012-24.54%)	-	281
Adjustments in respect to earlier years	(250)	(31)
Total current tax (note 6(b))	(250)	250
Deferred tax:		
Origination and reversal of timing differences	595	315
Tax charge on profit on ordinary activities	345	565

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

6b. Factors affecting tax liability for the period

The tax assessed for the period is lower (2012: lower) than the standard rate of corporation tax in the UK at 23.22% (2012: 24.54%). The differences are explained below:

	13 months ended 2 February 2014 £'000	12 months ended 29 December 2012 £'000
Profit on ordinary activities before taxation	1,365	3,240
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.22% (2012 – 24.54%)	317	795
Effects of:		
Short term timing differences	(37)	(86)
Expenses not deductible for tax purposes	293	170
Differences between depreciation and capital allowances	511	379
Impairment of fixed assets non deductible	8	173
Revenue items capitalized	(10)	-
Utilisation of tax losses	(1,082)	(1,150)
Adjustments in respect to earlier years	(250)	(31)
Current tax for the period/year (note 6(a))	(250)	250

The corporation tax rate has been reduced from 24% to 23% for the year ended 31 March 2014, then to 21% for the year ended 31 March 2015 and down to 20% for the year ended 31 March 2016. A hybrid rate of current tax of 23.22% applies during the period ended 31 January 2014.

Deferred tax assets and liabilities are measured at tax rates that are enacted or substantively enacted at the Balance sheet date. Accordingly, the reduction to 20% has been reflected in these financial statements when measuring deferred tax asset and liabilities.

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

7. Goodwill

	£'000
Cost	
At 29 December 2012	844
Additions	-
At 2 February 2014	844
Accumulated amortisation	
At 29 December 2012	336
Impairment	508
At 2 February 2014	844
Net book value	
At 2 February 2014	-
At 29 December 2012	508

8. Tangible fixed assets

	Leasehold improvements £'000	Plant, equipment and motor vehicles £'000	Total £'000
Cost			
At 29 December 2012	6,254	3,891	10,145
Additions	543	213	756
Disposals	(2,201)	(1,415)	(3,616)
At 2 February 2014	4,596	2,689	7,285
Accumulated depreciation			
At 29 December 2012	4,003	2,645	6,648
Charge for the period	468	177	645
Impairment charge	-	34	34
Disposals	(417)	(420)	(837)
At 2 February 2014	4,054	2,436	6,490
Net book value			
At 2 February 2014	542	253	795
At 29 December 2012	2,251	1,246	3,497

Following an impairment review of the carrying value of tangible fixed assets held in the Balance sheet at 2 February 2014, the carrying value of tangible fixed assets at loss making stores was written down by £34,000 (2012: £Nil). The value in use calculation used a pre-tax discount rate of 10.4% and a forecast of future cash flows.

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

9. Investments held as fixed assets

At 2 February 2014, the company had the following subsidiary:

Name of company	Country of operation and where outside NI, the country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Mullion International Limited	British Virgin Islands	Ordinary shares	100%	Non trading
				£'000
Cost				
At 2 February 2014				<u>750</u>
Provision for impairment				
At 2 February 2014				<u>(750)</u>
Net book value				
At 2 February 2014				<u>-</u>

10. Stocks

	2 February 2014 £'000	29 December 2012 £'000
Finished goods and goods for resale	5,495	3,289

There is no material difference between the balance sheet value of stocks and their replacement cost.

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

11. Debtors

	2 February 2014 £'000	29 December 2012 £'000
Amounts falling due within one year		
Trade debtors	653	9,651
Amounts owed by group undertakings	11,318	3,485
Other debtors	1,544	294
Prepayment and accrued income	1,181	1,513
Deferred tax asset (note 13)	-	595
Corporation tax recoverable	460	210
	15,156	15,748

	2 February 2014 £'000	29 December 2012 £'000
Amounts falling due after more than one year		
Other debtors and prepayments	310	154

12. Creditors

	2 February 2014 £'000	29 December 2012 £'000
Amounts falling due within one year		
Trade creditors	964	432
Amounts owed to group undertakings	606	6,431
Other creditors	55	2,375
Accruals and deferred income	2,283	1,737
	3,908	10,975

Amounts owed to group undertakings within one year are unsecured, interest free and repayable on demand.

	2 February 2014 £'000	29 December 2012 £'000
Amounts falling due after more than one year		
Accruals and deferred income	1,254	1,753

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

13. Deferred tax

The potential deferred tax asset at 20% (2012: 23%) is as follows:

	Provided	Un-provided	Provided	Un-provided
	2 February 2014	2 February 2014	29 December 2012	29 December 2012
	£'000	£'000	£'000	£'000
Decelerated capital allowances	-	1,023	310	-
Short Term timing differences	-	49	(80)	-
Tax losses carried forward	-	676	365	1,572
	-	1,748	595	1,572

The extent of recognition of the deferred tax asset reflects the company's current view of the asset's recoverability.

The movement during the period/year in respect of deferred tax is as follows:

	13 months ended 2 February 2014 £'000	12 months ended 29 December 2012 £'000
Opening deferred tax asset	595	910
Current period/year deferred tax movement	(595)	(315)
	-	595

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

14. Called up share capital

	2 February 2014	29 December 2012
	£'000	£'000
Authorised, allotted, called-up and fully paid		
5,530,000 (2012: 5,530,000) ordinary shares of £1 each	5,530	5,530

15. Reserves

	Share premium account	Capital contribution	Profit and loss account
	£'000	£'000	£'000
Balance at 29 December 2012	20,582	12,316	(22,277)
Profit for the period	-	-	1,020
Balance at 2 February 2014	20,582	12,316	(21,257)

16. Reconciliation of movements in shareholders' funds

	2 February 2014	29 December 2012
	£'000	£'000
Opening shareholders' funds	16,151	13,173
Profit for the period/year	1,020	2,675
Actuarial gains	-	125
Other movements	-	178
Closing shareholders' funds	17,171	16,151

Calvin Klein Stores UK Limited

Notes to the financial statements (continued) For the period ended 2 February 2014

17. Other financial commitments

The group and the company had annual commitments under non-cancellable operating leases as set out below:

	2 February 2014	29 December 2012	2 February 2014	29 December 2012
	Land and buildings	Land and buildings	Other	Other
	£'000	£'000	£'000	£'000
Operating leases which expire:				
Within one year	3	191	-	-
Within two to five years	1,692	1,324	-	27
In over five years	2,531	4,207	-	-
	4,226	5,722	-	27

18. Pension scheme

A number of the company's former employees are members of the Warners (UK) Limited Pension Scheme. The Scheme is a defined benefit plan providing benefits that are linked to salary near retirement or earlier date of leaving service. The Scheme was closed to new entrants and to future accrual of benefits as at 31 December 2010. An actuarial valuation of the Scheme was carried out by a qualified independent actuary as at 2 February 2014 for the purposes of Financial Reporting Standard Number 17.

Contributions to the defined benefit pension scheme are made to a pension trust whose assets are held in a separate trustee administered fund. The contributions to the scheme are determined by a qualified actuary using the projected unit method.

The pension charge in the period in respect of defined contribution pension scheme was £90,000 (2012: £54,000).

The scheme does not invest in the sponsor's own financial instruments, including property or other assets owned by the sponsor.

The company has not complied in full with the disclosure requirements of FRS 17 on the grounds of materiality.

19. Ultimate parent undertaking and controlling party

The directors regard PVH Corp, a company incorporated in the United States of America, as the ultimate parent undertaking and the ultimate controlling party.

Calvin Klein Europe BV is the parent undertaking of the smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from Stadhouderskade 6, 1054 ES, Amsterdam, The Netherlands.

PVH Corp, a company incorporated in the United States of America, is the parent undertaking of the largest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from 200 Madison Avenue, New York, NY 10016-3903, USA.