Cath Kidston Mezzco Limited

Annual Report and Financial Statements

for the 52 weeks ended 26 March 2017

Registered number: 07180428

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Cath Kidston Mezzco Limited

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Cath Kidston Mezzco Limited

Strategic Report

The Directors present their strategic report together with the audited financial statements for the 52 week period ended 26 March 2017.

Principal activities

Cath Kidston Mezzco Limited is an intermediate holding company and will continue to be so for the foreseeable future and the principal activity of its subsidiary undertakings is that of designer, wholesaler and retailer of fabrics, home furnishing products and fashion accessories.

Review of the business

The income statement at page 6 shows an operating profit of £0.1m (2016:£nil).

There has been no significant change in the nature or level of activity during the period and the Directors do not expect this to change significantly throughout the next financial period.

Change in Ownership

During September 2016 Baring Private Equity Asia ("Baring Asia") acquired the equity stake of TA Associates, the US private equity company, becoming the controlling majority shareholder in Cath Kidston Group Limited ("Cath Kidston Group"). On 13 September 2016, the Company issued 34,777,941 shares to Baring Private Equity Asia V Holding (18) Limited for total consideration of £25m.

Principal risks and uncertainties

Economic environment

The Board has overall responsibility for the company's approach to assessing risk and recognises that creating value is the reward for taking and accepting risk. Executive management implements the Board's policies on risk and control and provides assurance on compliance with these policies.

The company's financial assets and liabilities mainly compromise investment in subsidiary, inter-group payables and receivables.

At the balance sheet date there were no significant concentrations of credit risk.

From the perspective of the Company, the principal risk relates to the ability of its subsidiary to repay the inter-group receivables. The subsidiaries are reliant on discretionary consumer spending within the economy to provide demand for its products. The current economic environment is continuing to affect consumer confidence in certain of the Group's markets and this could potentially have a negative impact on future revenue and profits. An uncertain outlook, with volatile demand and restricted credit, will also potentially impact on our trading partners and suppliers, dependent on their levels of indebtedness. The company seeks to mitigate these risks by achieving a broad appeal for its products across a wide demographic and geographic spread. These risks are further mitigated by the company building its capacity to deliver products through a wide range of channels to market, ensuring it is positioned to react to changing consumer purchasing habits.

Future Outlook

The Company's performance is expected to continue throughout the next financial period and it is anticipated that the current performance levels will be maintained.

Key Performance Indicators

Given the straightforward nature of the business, the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Approval

This Strategic Report was approved on behalf of the Board of Directors and signed on behalf of the Board on 21 July 2017.

N Harrington
Director
21 July 2017

Cath Kidston Mezzco Limited

Directors' Report

The directors present their annual report together with the audited financial statements for the 52 weeks ended 26 March 2017.

Dividends

No dividend was paid or proposed during the year (2016: £nil).

Going concern

The directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

Directors

The directors, who served throughout the year except as noted, were as follows:

K Albolote (appointed 13 September 2016)
W Flanz (appointed 13 September 2016)
N Harrington
C Parkin (resigned 13 September 2016)
L Widengren (resigned 13 September 2016)

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Auditor

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

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

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

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on its behalf by:

N Harrington
Director
21 July 2017

Registered Office: Frestonia, 125 - 135 Freston Road, London, W10 6TH

Cath Kidston Mezzco Limited

Directors' responsibilities statement

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report including 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 elected to prepare the financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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.

Independent auditor's report to the members of Cath Kidston Mezzco Limited

We have audited the financial statements of Cath Kidston Mezzco Limited for the 52 weeks ended 26 March 2017 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 26 March 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

Cath Kidston Mezzco Limited

Independent auditor's report to the members of Cath Kidston Mezzco Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Emma Cox BA ACA (*Senior statutory auditor*)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
21 July 2017

Cath Kidston Mezzco Limited
Profit and loss account
For the 52 weeks ended 26 March 2017

	Note	2017 £000	2016 £000
Administrative expenses		(202)	-
Operating loss		(202)	-
Interest receivable and similar income	6	335	-
Profit on ordinary activities before tax		133	-
Tax	7	-	-
Profit for the financial year	5	133	-

Cath Kidston Mezzco Limited
Statement of comprehensive income
For the 52 weeks ended 26 March 2017

	2017 £000	2016 £000
Profit for the year	133	-
Items that will not be reclassified subsequently to profit or loss:		
Income tax relating to items not reclassified	-	-
	-	-
Items that may be reclassified subsequently to profit or loss:		
Income tax relating to items that may be reclassified	-	-
	-	-
Other Comprehensive income for the period net of tax	-	-
Total Comprehensive income for the period attributable to the Owners of the Company	133	-

Cath Kidston Mezzco Limited
Balance sheet
As at 26 March 2017

	Note	2017 £000	2016 £000
Fixed assets			
Investments in subsidiaries	8	88,925	88,925
		88,925	88,925
Current assets			
Trade and other receivables	9	25,335	-
Total assets		114,260	88,925
Creditors: Amounts falling due within one year			
Trade and other creditors	10	(202)	-
		(202)	-
Net current assets		25,133	-
Total assets less current liabilities		**114,058**	**88,925**
Total liabilities		(202)	-
Net assets		**114,058**	**88,925**
Capital and reserves			
Called up share capital	12	38,951	26,779
Share premium account	13	12,828	-
Profit and loss account	14	62,279	62,146
		114,058	88,925

The financial statements were approved by the board of directors and authorised for issue on 21 July 2017. They were signed on its behalf by:

N Harrington
Director

Registered number: 07180428

Cath Kidston Mezzco Limited
Statement of changes in equity

	Share Capital £000	Share Premium Account £000	Profit and loss account £000	Total £000
Balance at 29 March 2015	26,779	-	62,146	88,925
Result for the period	-	-	-	-
Total comprehensive income for the period	-	-	-	-
Balance at 27 March 2016	26,779	-	62,146	88,925
Profit for the period	-	-	133	133
Total comprehensive income for the period	-	-	133	133
Issue of share capital	12,172	12,828	-	25,000
Balance at 26 March 2017	**38,951**	**12,828**	**62,279**	**114,058**

1. General information

Cath Kidston Mezzco Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 2. The nature of the company's operations and its principal activities are set out in the strategic report on page 1.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Cath Kidston Group Limited. The group accounts of Cath Kidston Group Limited are available to the public and can be obtained from Companies House.

2. Significant accounting policies

Basis of accounting

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of Cath Kidston Group Limited. The group accounts of Cath Kidston Group Limited are available to the public and can be obtained from Companies House.

The financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The principal accounting policies adopted are set out below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Going concern

During the period, the company made a profit of £133,000 (2016: £nil) and the balance sheet shows net current assets of £25.1m (2016: £nil). The company is a guarantor of the Group's debt facilities and going concern is therefore assessed across the Group as a whole. During the period, to strengthen the Group's cash flow and covenant headroom position, the shareholders have injected a further £25m of funding into the Group, part of which was used to pay down some of the Group's bank debt.

The directors have considered the Group's cash flow forecasts, including the headroom on covenants and loan facilities available, and have concluded that there will be sufficient resources available to meet the Group's liabilities as they fall due. As a result, the financial statements have been prepared on a going concern basis.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

2. Significant accounting policies (continued)

Operating profit

Operating profit is stated before investment income and finance costs.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Financial instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial Assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs.

2. Significant accounting policies (continued)

Financial Assets (continued)

Financial assets are classified as 'loans and receivables'.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

Financial liabilities are classified as 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are material estimates that the Directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Impairment of investments in subsidiaries

Determining whether the company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the balance sheet date was £88.9m with no impairment loss recognised in 2017 or 2016.

4. Non underlying items within profit before tax

	2017 £000	2016 £000
Included within operating profit:		
Management Incentive Plan	(200)	-
	(200)	-

Following the refinancing undertaken during the year, the Company is revising its management incentive plan.

5. Profit for the year

The company's audit fee of £2,000 is borne by Cath Kidston Limited (2016: £2,000). There are no employees in the company other than the executive directors (2016: nil). Directors' remuneration is borne by Cath Kidston Group Limited.

6. Interest receivable and similar income

	2017 £000	2016 £000
Interest receivable:		
Other loans and receivables	335	-
	335	-

7. Tax

	2017 £000	2016 £000
Corporation tax:		
UK corporation tax	-	-
Adjustments in respect of prior years	-	-
	-	-

Corporation tax is calculated at 20 per cent (2016: 20 per cent) of the estimated taxable profit for the year.

The charge for the year can be reconciled to the profit in the profit and loss account as follows:

	2017 £000	2016 £000
Profit before tax on continuing operations	133	-
Tax at the UK corporation tax rate of 20% (2016: 20%)	27	-
Group relief	(27)	-
Tax expense for the year	-	-

No amounts relating to tax have been recognised in other comprehensive income.

8. Investments in Subsidiaries

	£000
Cost	
At 27 March 2016 and 26 March 2017	88,925
Provisions for impairment	
At 27 March 2016 and 26 March 2017	-
Net book value at 27 March 2016 and 26 March 2017	88,925

8. Investments in Subsidiaries (continued)

Details of the company's subsidiaries at 26 March 2017 are as follows:

Name	Place of incorporation and principal place of business	Proportion of ownership interest %	Holding type	Proportion of voting power held %
Cath Kidston Acquisitions Limited	United Kingdom	100%	Ordinary	100%
Cath Kidston Limited*	United Kingdom	100%	Ordinary	100%
Cath Kidston Spain S.L.U.*	Spain	100%	Ordinary	100%
Cath Kidston Asia Pacific Limited*	Hong Kong	100%	Ordinary	100%
Cath Kidston Trading (Shanghai) Limited*	China	100%	Ordinary	100%
Cath Kidston Japan K.K.*	Japan	100%	Ordinary	100%

* Companies not directly held by Cath Kidston Mezzco Limited

The investments in subsidiaries are all stated at cost less provision for impairment.

The registered address of all the United Kingdom subsidiaries is Frestonia, 125 – 135 Freston Road, London W10 6TH.

The registered address of Cath Kidston Spain S.L.U is 7th Floor, Plaza Marques de Salamanca 3-4, 28006, Madrid, Spain.

The registered address of Cath Kidston Asia Pacific Limited is Chang Leung Hui + Li CPA Ltd, 12th Floor, No. 3 Lockhart Road, Wanchai, Hong Kong.

The registered address of Cath Kidston (Shanghai) Ltd is Unit 205, 550 Wuding Road, JingAn District, 200040 Shanghai, China.

The registered address of Cath Kidston Japan K.K. is Omotesando Lab 3F, 3-5-43 Kita-Aoyama, Minato-Ku, Japan, 107-0061.

9. Trade and other receivables

	2017 £000	2016 £000
Amounts owed by group undertakings	25,355	-
	25,355	-

Interest on group loans accrues at base rate plus 2.0% per annum.

All debtors are due within one year and are payable on demand.

10. Trade and other creditors

	2017 £000	2016 £000
Trade creditors and accruals	(200)	-
Amounts owed to group undertakings	(2)	-
	(202)	-

Interest on group loans accrues at base rate plus 2.0% per annum.

11. Derivative financial instruments

The Company is part of the group headed by Cath Kidston Group Limited (CKG). CKG enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including interest rate swaps and fixed interest loans. Cath Kidston Mezzco Limited is part of the cross guarantee with other members of the group.

Under interest rate swap contracts, CKG agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the company to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held.

The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using curves at the reporting date and the credit risk inherent in the contract.

12. Share capital

	2017 £	2016 £
Authorised:		
111,289,412 ordinary shares of £0.35 each	38,951	26,779
Issued and fully paid:		
111,289,412 ordinary shares of £0.35 each	38,951	26,779

Number of Shares	
At 27 March 2016	76,511,471
Shares issued	34,777,941
At 26 March 2017	111,289,412

Share Capital	**£000**
At 27 March 2016	26,779
Shares issued	12,172
At 26 March 2017	38,951

The Company has one class of ordinary shares which carry no right to fixed income. On 13 September 2016, the Company issued 34,777,941 shares to Baring Private Equity Asia V Holding (18) Limited ("Baring Asia") for total consideration of £25m.

13. Share premium account

	Share premium £000
Balance at 29 March 2015 and 27 March 2016	-
Premium arising on issue of equity shares	12,828
Balance at 26 March 2017	12,828

14. Events after the balance sheet date

On 21 June 2017, to fund the Group's ambitious growth plans, the Company issued £17m unsecured loan notes for cash at par to Baring Asia with a further £8m agreed to be issued on or before March 2018 should it be required by the Group.

15. Related party transactions

The company has taken advantage of the exemption allowed under FRS 101 "Reduced Disclosure Framework" not to disclose any transactions with wholly owned entities that are included in the consolidated financial statements of Cath Kidston Group Limited. There were no other related party transactions.

16. Controlling party

In the opinion of the Directors, the company's ultimate parent company was Cath Kidston Group Limited which is the parent of both the smallest and largest groups of which the company is a member. Copies of the group financial statements of Cath Kidston Group Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

The ultimate controlling party is Baring Private Equity Asia V Holding (18) Limited, incorporated in Hong Kong.