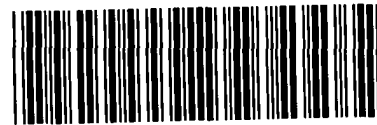


Registered number: 07296567

1994 INC LTD

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

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1994 INC LTD

COMPANY INFORMATION

Directors	J Jebbia (resigned 21 March 2019) Kyle John Demers (appointed 21 March 2019) Darci Bailey (appointed 21 March 2019) Martin Douglas Layding (appointed 21 March 2019)
Registered number	07296567
Registered office	255-261 Horn Lane Acton London W3 9EH
Independent auditors	MHA MacIntyre Hudson Chartered Accountants New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ

1994 INC LTD

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1994 INC LTD

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2019

Introduction

The directors present the strategic report and the financial statements for the year ended 31 January 2019.

The Group's principal business activity during the period continued to be the European-wide retail of branded clothing supplied by its parent company.

Business review

The Group's objective is building and developing the Supreme brand in Europe.

The directors measure the performance of the group by reference to the following key financial performance indicators:

	2019	2018
Turnover growth	58%	156%
Gross profit margin	55%	52%

The directors are satisfied with the growth and profit margin achieved in the period, and anticipate further growth through the continued brand development strategies controlled by the Group's parent.

The directors do not consider there to be any non-financial key performance necessary for an understanding of the development, performance or position of the Group's business.

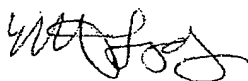
Principal risks and uncertainties

The directors have identified the Group's principal risk to be fluctuations in foreign exchange rates.

They also recognise the uncertain impact of the United Kingdom's exit from the European Union ("Brexit").

The directors have implemented procedures to continually evaluate the impact foreign exchange fluctuations. They have also made contingency plans to cope with Brexit in a number of scenarios.

This report was approved by the board and signed on its behalf.



Martin Douglas Layding
Director

Date: July 12, 2019

1994 INC LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2019

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £35,369,147 (2018 - £19,572,328).

During the year the company declared and paid dividends of £40,995,273 (2018 - 13,472,435).

The comparative information in parentheses relates to the 13 month period ended 31 January 2018.

Director

The director who served during the year was:

J Jebbia (resigned 21 March 2019)

Future developments

It is the directors' intention to follow the Group's growth strategy.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

1994 INC LTD

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2019

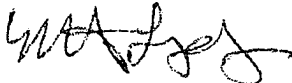
Post balance sheet events

In May 2019, the company declared and paid a dividend of US \$10,000,000.

Auditors

Under section 487(2) of the Companies Act 2006, MHA MacIntyre Hudson will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



Martin Douglas Layding
Director

Date: July 12, 2019

1994 INC LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF 1994 INC LTD

Opinion

We have audited the financial statements of 1994 Inc Ltd (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 January 2019, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 January 2019 and of the Group's profit for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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 or 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

1994 INC LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF 1994 INC LTD (CONTINUED)

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 in this regard.

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 Group 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 Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- 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
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 and 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

1994 INC LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF 1994 INC LTD (CONTINUED)

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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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 Auditors' 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.


Stephen Poleykett FCA (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson

Chartered Accountants

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date:

15 August 2019

1994 INC LTD

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2019**

	Note	2019 £	2018 £
Turnover	3	100,281,730	63,342,163
Cost of sales		(43,424,581)	(29,630,045)
Gross profit		56,857,149	33,712,118
Distribution costs		(2,257,544)	-
Administrative expenses		(10,191,795)	(8,955,166)
Operating profit	4	44,407,810	24,756,952
Interest payable and expenses	6	(4,770)	(4,534)
Profit before taxation		44,403,040	24,752,418
Tax on profit	7	(9,033,893)	(5,180,090)
Profit for the financial year		35,369,147	19,572,328
Exchange differences on retranslation of subsidiary undertakings		(319,527)	(22,696)
Other comprehensive income for the year		(319,527)	(22,696)
Total comprehensive income for the year		35,049,620	19,549,632
Profit for the year attributable to:			
Owners of the parent Company		35,369,147	19,572,328
		35,369,147	19,572,328

There were no recognised gains and losses for 2019 or 2018 other than those included in the consolidated statement of comprehensive income.

The notes on pages 13 to 27 form part of these financial statements.

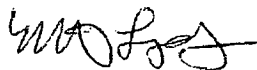
The comparative information relates to the 13 month period ended 31 January 2018.

1994 INC LTD
REGISTERED NUMBER: 07296567

CONSOLIDATED BALANCE SHEET
AS AT 31 JANUARY 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	9		201,320		201,389
Tangible assets	10		881,849		962,183
			<u>1,083,169</u>		<u>1,163,572</u>
Current assets					
Stocks	12	7,709,067		4,504,579	
Debtors	13	2,058,870		1,395,859	
Cash at bank and in hand	14	8,599,955		16,992,961	
		<u>18,367,892</u>		<u>22,893,399</u>	
Creditors: amounts falling due within one year	15	(8,824,118)		(7,487,715)	
Net current assets			<u>9,543,774</u>		<u>15,405,684</u>
Total assets less current liabilities			<u>10,626,943</u>		<u>16,569,256</u>
Creditors: amounts falling due after more than one year	16		(17,206)		(31,477)
Provisions for liabilities					
Deferred taxation	18	(30,500)		(12,888)	
			<u>(30,500)</u>		<u>(12,888)</u>
Net assets			<u><u>10,579,237</u></u>		<u><u>16,524,891</u></u>
Capital and reserves					
Called up share capital	19		100		100
Foreign exchange reserve	20		(506,170)		(186,642)
Profit and loss account	20		11,085,307		16,711,433
Equity attributable to owners of the parent Company			<u>10,579,237</u>		<u>16,524,891</u>
			<u><u>10,579,237</u></u>		<u><u>16,524,891</u></u>

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



Martin Douglas Layding
Director

Date: July 12, 2019

The notes on pages 13 to 27 form part of these financial statements.

1994 INC LTD
REGISTERED NUMBER: 07296567

COMPANY BALANCE SHEET
AS AT 31 JANUARY 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	10		278,652		238,012
Investments	11		7,309		7,309
			<u>285,961</u>		<u>245,321</u>
Current assets					
Stocks	12	6,743,469		3,815,256	
Debtors	13	1,588,920		1,572,993	
Cash at bank and in hand	14	6,687,864		14,886,483	
		<u>15,020,253</u>		<u>20,274,732</u>	
Creditors: amounts falling due within one year	15	(7,846,012)		(5,732,736)	
Net current assets			<u>7,174,241</u>		<u>14,541,996</u>
Total assets less current liabilities			<u>7,460,202</u>		<u>14,787,317</u>
Creditors: amounts falling due after more than one year	16		(17,206)		(31,477)
Provisions for liabilities					
Deferred taxation	18	(30,500)		(12,888)	
			<u>(30,500)</u>		<u>(12,888)</u>
Net assets			<u>7,412,496</u>		<u>14,742,952</u>
Capital and reserves					
Called up share capital	19		100		100
Profit and loss account brought forward		14,742,852		10,200,788	
Profit for the year		33,664,817		18,014,499	
Dividends		<u>(40,995,273)</u>		<u>(13,472,435)</u>	
Profit and loss account carried forward			<u>7,412,396</u>		<u>14,742,852</u>
			<u>7,412,496</u>		<u>14,742,952</u>

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


Martin Douglas Layding
Director

Date: July 12, 2019

The notes on pages 13 to 27 form part of these financial statements.

1994 INC LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2019

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 January 2017	100	(163,947)	10,611,540	10,447,693	10,447,693
Comprehensive income for the period					
Profit for the period	-	-	19,572,328	19,572,328	19,572,328
Foreign exchange gain/ (loss)	-	(22,696)	-	(22,696)	(22,696)
Total comprehensive income for the period	-	(22,696)	19,572,328	19,549,632	19,549,632
Dividends: Equity capital	-	-	(13,472,435)	(13,472,435)	(13,472,435)
At 1 February 2018	100	(186,643)	16,711,433	16,524,890	16,524,890
Comprehensive income for the year					
Profit for the year	-	-	35,369,147	35,369,147	35,369,147
Foreign exchange gain/ (loss)	-	(319,527)	-	(319,527)	(319,527)
Total comprehensive income for the year	-	(319,527)	35,369,147	35,049,620	35,049,620
Dividends: Equity capital	-	-	(40,995,273)	(40,995,273)	(40,995,273)
At 31 January 2019	100	(506,170)	11,085,307	10,579,237	10,579,237

The notes on pages 13 to 27 form part of these financial statements.

1994 INC LTD

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	100	10,200,788	10,200,888
Profit for the period	-	18,014,499	18,014,499
Total comprehensive income for the period	-	18,014,499	18,014,499
Dividends: Equity capital	-	(13,472,435)	(13,472,435)
At 1 February 2018	100	14,742,852	14,742,952
Profit for the year	-	33,664,817	33,664,817
Total comprehensive income for the period	-	33,664,817	33,664,817
Dividends: Equity capital	-	(40,995,273)	(40,995,273)
At 31 January 2019	100	7,412,396	7,412,496

The notes on pages 13 to 27 form part of these financial statements.

1994 INC LTD

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	35,369,147	19,572,328
Adjustments for:		
Amortisation of intangible assets	70	7,552
Depreciation of tangible assets	242,432	235,339
Loss on disposal of tangible assets	70,653	4,891
Interest paid	4,770	4,534
Taxation charge	9,033,893	5,180,090
(Increase) in stocks	(3,204,488)	(3,503,984)
(Increase) in debtors	(663,013)	(527,166)
Decrease in amounts owed by groups	-	3,741,378
Increase/(decrease) in creditors	1,296,910	(2,694,082)
Increase in amounts owed to groups	238,266	3,454,480
Corporation tax (paid)	(9,229,325)	(3,661,812)
Foreign exchange	(319,527)	(22,696)
Net cash generated from operating activities	32,839,788	21,790,852
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(421)
Purchase of tangible fixed assets	(232,751)	(136,761)
Net cash from investing activities	(232,751)	(137,182)
Cash flows from financing activities		
Dividends paid	(40,995,273)	(13,472,435)
Interest paid	(4,770)	(4,534)
Net cash used in financing activities	(41,000,043)	(13,476,969)
Net (decrease)/increase in cash and cash equivalents	(8,393,006)	8,176,701
Cash and cash equivalents at beginning of year	16,992,961	8,816,260
Cash and cash equivalents at the end of year	8,599,955	16,992,961
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	8,599,955	16,992,961
	8,599,955	16,992,961

The notes on pages 13 to 27 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

1. General information

1994 Inc Ltd is a private company, limited by shares, domiciled in England and Wales, registration number 07296567. The registered office is 255-261 Horn Lane, Acton, London, W3 9EH.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

2.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when the Group has provided or dispatched the goods to the customer, such that the significant risks and rewards of ownership have transferred to them.

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

2.5 Tangible fixed assets

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

1994 INC LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases:

S/Term Leasehold Property	- 12.5% straight line or over the lease period
Fixtures and fittings	- 12.5% - 25% straight line
Computer equipment	- 30% - 33% straight line
Other fixed assets	- 30% - 33.33% straight line

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

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

2.6 Valuation of investments

Investments represent the Company's interest in its wholly-owned subsidiary which is measured at cost less any accumulated impairment.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first-in, first-out basis.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

1994 INC LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

2. Accounting policies (continued)

2.10 Financial instruments

Basic financial instruments are recognised at amortised cost.

Non-basic financial instruments, which includes all derivatives, are recognised on the balance sheet and measured at fair value through profit or loss. This means that at each period end the instrument is re-valued to fair value, with the movement posted to the Income Statement.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Foreign currency translation

Functional and presentation currency

The Group and Company's functional and presentational currency is the Pound Sterling.

Transactions and balances

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

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the profit and loss in the period in which they arise.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1994 INC LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

2. Accounting policies (continued)

2.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Group. All other leases are classified as operating leases.

Finance leases

The company did not enter into any finance leases during the period ended 31 January 2019.

Operating leases

Rentals payable under operating leases are charged to the Statement of comprehensive income on a straight-line basis over the lease term.

Lease incentives

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

2.15 Pensions

Defined contribution pension plan

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

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

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax.

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided on the assets and liabilities arising from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Tax deferred or accelerated is accounted for in respect of all material timing differences.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

3. Turnover

The whole of turnover is attributable to the sale of goods.

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	44,876,246	27,834,608
Rest of Europe	49,766,776	31,526,017
Rest of the world	5,638,708	3,981,538
	<u>100,281,730</u>	<u>63,342,163</u>

4. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	242,432	235,339
Exchange differences	(163,284)	(6,091)
Other operating lease rentals	272,270	231,899
Amortisation of intangible assets, including goodwill	70	7,552
Defined contribution pension cost	48,727	73,455
	<u>48,727</u>	<u>73,455</u>

5. Employees

Staff costs were as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Wages and salaries	2,993,075	4,143,070	1,856,369	3,014,210
Social security costs	536,732	607,372	205,380	320,708
Cost of defined contribution scheme	48,727	73,455	48,727	73,455
	<u>3,578,534</u>	<u>4,823,897</u>	<u>2,110,476</u>	<u>3,408,373</u>

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2019 No.	Group 2018 No.	Company 2019 No.	Company 2018 No.
Employees	48	58	32	45

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

6. Interest payable and similar expenses

	2019 £	2018 £
Other interest payable	4,770	4,534
	<u>4,770</u>	<u>4,534</u>

7. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	9,016,281	5,181,123
	<u>9,016,281</u>	<u>5,181,123</u>
Total current tax	<u>9,016,281</u>	<u>5,181,123</u>
Deferred tax		
Origination and reversal of timing differences	17,612	(1,033)
Total deferred tax	<u>17,612</u>	<u>(1,033)</u>
Taxation on profit on ordinary activities	<u>9,033,893</u>	<u>5,180,090</u>

1994 INC LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

7. Taxation (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19.2%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>44,403,040</u>	<u>24,752,418</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19.2%)	<u>8,435,577</u>	<u>4,752,464</u>
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,471	-
Higher rate taxes on overseas earnings	583,584	399,756
Short term timing difference leading to an increase (decrease) in taxation	12,261	27,870
Total tax charge for the year/period	<u><u>9,033,893</u></u>	<u><u>5,180,090</u></u>

8. Dividends

	2019 £	2018 £
Dividends payable	<u>40,995,273</u>	<u>13,472,435</u>
Dividends payable	<u><u>40,995,273</u></u>	<u><u>13,472,435</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

9. Intangible assets**Group and Company**

	Intangible assets £
Cost	
At 1 February 2018	<u>237,245</u>
At 31 January 2019	<u>237,245</u>
Amortisation	
At 1 February 2018	<u>35,855</u>
Charge for the year	<u>70</u>
At 31 January 2019	<u>35,925</u>
Net book value	
At 31 January 2019	<u>201,320</u>
At 31 January 2018	<u>201,390</u>

1994 INC LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

10. Tangible fixed assets

Group

	S/Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 February 2018	1,073,069	351,739	91,823	162,200	1,678,831
Additions	68,270	41,682	43,208	79,591	232,751
Disposals	-	-	-	(70,653)	(70,653)
Transfers between classes	-	-	26,348	(26,348)	-
At 31 January 2019	1,141,339	393,421	161,379	144,790	1,840,929
Depreciation					
At 1 February 2018	334,108	229,025	88,633	64,882	716,648
Charge for the year on owned assets	162,860	9,802	49,121	20,649	242,432
At 31 January 2019	496,968	238,827	137,754	85,531	959,080
Net book value					
At 31 January 2019	644,371	154,594	23,625	59,259	881,849
At 31 January 2018	738,961	122,714	3,190	97,318	962,183

1994 INC LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

10. Tangible fixed assets (continued)

Company

	S/Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 February 2018	197,001	246,944	78,745	162,200	684,890
Additions	68,232	40,566	14,485	79,591	202,874
Disposals	-	-	-	(70,653)	(70,653)
Transfers between classes	-	-	26,348	(26,348)	-
At 31 January 2019	265,233	287,510	119,578	144,790	817,111
Depreciation					
At 1 February 2018	95,964	229,025	57,007	64,882	446,878
Charge for the year on owned assets	35,381	9,802	25,749	20,649	91,581
At 31 January 2019	131,345	238,827	82,756	85,531	538,459
Net book value					
At 31 January 2019	133,888	48,683	36,822	59,259	278,652
At 31 January 2018	101,037	17,919	21,738	97,318	238,012

1994 INC LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

11. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 February 2018	7,309
At 31 January 2019	7,309

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Class of shares	Holding
Cherry SAS	Ordinary	100%

The aggregate of the share capital and reserves as at 31 January 2019 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
Cherry SAS	4,832,072	4,762,227

12. Stocks

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Finished goods and goods for resale	7,709,067	4,504,579	6,743,469	3,815,256
	7,709,067	4,504,579	6,743,469	3,815,256

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the period as an expense £34,736,064 (2018 - £22,884,188).

1994 INC LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

13. Debtors

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Due after more than one year				
Other debtors	380,875	101,100	380,875	101,100
	<u>380,875</u>	<u>101,100</u>	<u>380,875</u>	<u>101,100</u>
Due within one year				
Trade debtors	67,705	12,084	55,728	12,084
Amounts owed by group undertakings	-	-	-	476,752
Other debtors	904,740	449,577	799,839	287,612
Prepayments and accrued income	705,550	833,098	352,478	695,445
	<u>2,058,870</u>	<u>1,395,859</u>	<u>1,588,920</u>	<u>1,572,993</u>

14. Cash and cash equivalents

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Cash at bank and in hand	8,599,955	16,992,961	6,687,864	14,886,483
	<u>8,599,955</u>	<u>16,992,961</u>	<u>6,687,864</u>	<u>14,886,483</u>

15. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	1,515,783	842,698	1,316,390	548,780
Amounts owed to group undertakings	3,692,746	3,454,480	3,692,746	3,039,789
Corporation tax	2,527,874	2,740,918	2,527,874	1,941,184
Other taxation and social security	47,048	88,188	47,048	32,864
Other creditors	932,757	129,329	154,044	82,519
Accruals and deferred income	107,910	232,102	107,910	87,600
	<u>8,824,118</u>	<u>7,487,715</u>	<u>7,846,012</u>	<u>5,732,736</u>

1994 INC LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

16. Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Accruals and deferred income	17,206	31,477	17,206	31,477
	<u>17,206</u>	<u>31,477</u>	<u>17,206</u>	<u>31,477</u>

17. Financial instruments

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>9,467,500</u>	<u>17,368,907</u>	<u>7,543,432</u>	<u>15,662,931</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(5,625,870)</u>	<u>(5,015,914)</u>	<u>(5,272,253)</u>	<u>(3,758,048)</u>

18. Deferred taxation

Group

	2019 £
At beginning of year	(12,888)
Charged to profit or loss	(17,612)
At end of year	<u>(30,500)</u>

1994 INC LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

18. Deferred taxation (continued)

Company

	2019 £
At beginning of year	(12,888)
Charged to profit or loss	(17,612)
At end of year	(30,500)

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Accelerated capital allowances	(30,500)	(12,888)	(30,500)	(12,888)
	<u>(30,500)</u>	<u>(12,888)</u>	<u>(30,500)</u>	<u>(12,888)</u>

19. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 (2018 - 100) Ordinary shares shares of £1.00 each	100	100

20. Reserves

Called-up share capital

This represents the nominal value of shares that have been issued.

Foreign exchange reserve

This comprises translation differences arising from the translation of financial statements of the Group's foreign entity into Sterling (£).

Profit and loss account

This includes all current and prior period retained profits and losses.

1994 INC LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

21. Commitments under operating leases

At 31 January 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Not later than 1 year	225,938	212,824	137,000	137,000
Later than 1 year and not later than 5 years	396,889	510,431	271,984	391,750
Later than 5 years	-	15,500	-	15,500
	622,827	738,755	408,984	544,250

22. Post balance sheet events

In May 2019, the company declared and paid a dividend of US \$10,000,000.

23. Parent undertaking

The name of the parent company of the smallest group of undertakings for which group accounts are drawn up of which the company is a member is Supreme Holdings, Inc., whose registered office is 62 King Street, New York, NY 10014, United States of America.