
BRANDY CARNABY LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

BRANDY CARNABY LTD

COMPANY INFORMATION

Directors	M Dorde L Many
Company secretary	Quayseco Ltd
Registered number	08557833
Registered office	One Glass Wharf Bristol BS2 0ZX
Independent auditors	Fraser Russell Limited 75 Harborne Road Edgbaston Birmingham B15 3DH

BRANDY CARNABY LTD

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Statement of comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7 - 8
Notes to the financial statements	9 - 19

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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 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 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 for the Company'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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

M Dorde
L Many

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'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's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Fraser Russell Limited 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.

BRANDY CARNABY LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 29 September 2017 and signed on its behalf.

M Dorde
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BRANDY CARNABY LTD

We have audited the financial statements of Brandy Carnaby Ltd for the year ended 31 December 2016, set out on pages 5 to 19. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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'.

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.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' responsibilities statement on page 1, 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 Financial Reporting Council'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 Directors' 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 31 December 2016 and of its 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BRANDY CARNABY LTD (CONTINUED)

Opinion on other matter 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 Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Shokat Zaman (Senior Statutory Auditor)

for and on behalf of
Fraser Russell Limited

75 Harborne Road
Edgbaston
Birmingham
B15 3DH

29 September 2017

BRANDY CARNABY LTD

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Turnover	4	4,169,089	3,859,841
Cost of sales		(1,988,399)	(1,604,156)
Gross profit		2,180,690	2,255,685
Distribution costs		(2,056)	(4,298)
Administrative expenses		(1,028,243)	(965,811)
Operating profit	5	1,150,391	1,285,576
Interest receivable and similar income		13,063	7,071
Profit before tax		1,163,454	1,292,647
Tax on profit	8	(271,110)	(263,471)
Profit for the year		892,344	1,029,176
Other comprehensive income for the year			
Total comprehensive income for the year		892,344	1,029,176

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

BRANDY CARNABY LTD
REGISTERED NUMBER: 08557833

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	10	156,413	194,873
		<u>156,413</u>	<u>194,873</u>
Current assets			
Stocks	11	254,458	107,835
Debtors: amounts falling due within one year	12	1,390,637	758,840
Cash at bank and in hand	13	420,368	264,691
		<u>2,065,463</u>	<u>1,131,366</u>
Creditors: amounts falling due within one year	14	(2,169,072)	(597,062)
Net current (liabilities)/assets		<u>(103,609)</u>	<u>534,304</u>
Total assets less current liabilities		<u>52,804</u>	<u>729,177</u>
Provisions for liabilities			
Deferred tax	16	(31,283)	-
		<u>(31,283)</u>	<u>-</u>
Net assets		<u><u>21,521</u></u>	<u><u>729,177</u></u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		21,520	729,176
		<u><u>21,521</u></u>	<u><u>729,177</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 September 2017.

M Dorde

Director

The notes on pages 9 to 19 form part of these financial statements.

BRANDY CARNABY LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	1	729,176	729,177
Comprehensive income for the year			
Profit for the year	-	892,344	892,344
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	892,344	892,344
Dividends: Equity capital	-	(1,600,000)	(1,600,000)
Total transactions with owners	-	(1,600,000)	(1,600,000)
At 31 December 2016	1	21,520	21,521

BRANDY CARNABY LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	1	245,373	245,374
Comprehensive income for the year			
Profit for the year	-	1,029,176	1,029,176
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	1,029,176	1,029,176
Dividends: Equity capital	-	(545,373)	(545,373)
Total transactions with owners	-	(545,373)	(545,373)
At 31 December 2015	1	729,176	729,177

The notes on pages 9 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

The Company was incorporated on 5 June 2013 in England and Wales with Ordinary Shares having limited liability. The principal place of the business of the company is at its registered office address, One Glass Wharf, Bristol, BS2 0ZX, United Kingdom and the principal activities of the Company are those stated in the Directors Report.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Company had net current liabilities at the balance sheet date. The financial statements have been prepared under the going concern basis as the parent company, Brandy SAS (previously Brandy SARL), incorporated in France and its sister company, Brandy Melville UK Limited will continue to support the Company financially as and when required.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.4 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 provided on the following basis:

Plant and machinery	- 10% Straight Line Method
Fixtures and fittings	- 33.3% Straight Line Method

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 Statement of comprehensive income.

2.5 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. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 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.

2.7 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.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.8 Financial instruments (continued)

rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.9 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.

2.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.11 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Director is required to make judgments, 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.

4. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Retail business	4,169,089	3,859,841
	<u>4,169,089</u>	<u>3,859,841</u>

Analysis of turnover by country of destination:

	2016 £	2015 £
United Kingdom	4,169,089	3,859,841
	<u>4,169,089</u>	<u>3,859,841</u>

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	38,460	40,097
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>4,500</u>	<u>3,500</u>

BRANDY CARNABY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

6. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	4,500	3,500
	<u>4,500</u>	<u>3,500</u>
	<u>-</u>	<u>-</u>

7. Employees

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

	2016 No.	2015 No.
Average number of employees	<u>27</u>	<u>10</u>

8. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	239,827	263,471
	<u>239,827</u>	<u>263,471</u>
Total current tax	<u>239,827</u>	<u>263,471</u>
Deferred tax		
Origination and reversal of timing differences	31,283	-
Total deferred tax	<u>31,283</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>271,110</u>	<u>263,471</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

8. Taxation (continued)**Factors affecting tax charge for the year**

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 20% (2015 - 20%).

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

9. Dividends

	2016 £	2015 £
Ordinary shares of £1 each	1,600,000	545,373
	<u>1,600,000</u>	<u>545,373</u>

10. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2016	217,471	56,050	273,521
At 31 December 2016	<u>217,471</u>	<u>56,050</u>	<u>273,521</u>
Depreciation			
At 1 January 2016	40,311	38,337	78,648
Charge for the year on owned assets	21,747	16,713	38,460
At 31 December 2016	<u>62,058</u>	<u>55,050</u>	<u>117,108</u>
Net book value			
At 31 December 2016	<u>155,413</u>	<u>1,000</u>	<u>156,413</u>
At 31 December 2015	<u>177,160</u>	<u>17,713</u>	<u>194,873</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

11. Stocks

	2016 £	2015 £
Finished goods and goods for resale	254,458	107,835
	<u>254,458</u>	<u>107,835</u>

12. Debtors

	2016 £	2015 £
Amounts owed by group undertakings	1,252,003	627,289
Other debtors	3,966	544
Prepayments and accrued income	134,668	131,007
	<u>1,390,637</u>	<u>758,840</u>

13. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	420,368	264,691
	<u>420,368</u>	<u>264,691</u>

14. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	375,165	129,485
Amounts owed to group undertakings	1,368,747	24,981
Corporation tax	239,827	268,648
Other taxation and social security	177,650	166,475
Other creditors	-	2,019
Accruals and deferred income	7,683	5,454
	<u>2,169,072</u>	<u>597,062</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	420,368	264,691
Financial assets that are debt instruments measured at amortised cost	1,255,969	627,833
	<u>1,676,337</u>	<u>892,524</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(1,751,595)	(159,920)
	<u>(1,751,595)</u>	<u>(159,920)</u>

Financial assets measured at fair value through profit or loss comprise of movements in the bank.

16. Deferred taxation

	2016 £
At beginning of year	-
Charged to profit or loss	(31,283)
At end of year	<u>(31,283)</u>

The deferred taxation balance is made up as follows:

	2016 £
Accelerated capital allowances	(31,283)
	<u>(31,283)</u>

17. Finance lease commitments

At 31 December 2016, the Company had total future minimum lease payments under none cancelable operating leases due to expire within one year of £400,000 and later than one year but not later than five years of £1,600,000.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

18. Related party transactions

The Company is a wholly owned subsidiary of Brandy SAS (Previously Brandy SARL), a Company incorporated in France. The Company is also a sister Company of Brandy Melville UK Limited, a company incorporated in the UK which is also a wholly owned subsidiary of Brandy SAS (Previously Brandy SARL).

The company has taken advantage of paragraph 33.1A Financial Reporting Standard No 102 not to report transactions within wholly owned group companies.

Any balances between group Companies are payable to or from the Company on demand and therefore there is no significant difference between the value of the original amounts and the initial carrying value of the balances as shown in the balance sheet.

19. Controlling party

The Company is under the control of Brandy SAS (Previously Brandy SARL), a company incorporated in France. The company's accounts are consolidated in the accounts of Brandy SAS (Previously Brandy SARL).