

Agent Provocateur Parfum Limited

(Registered Number: 3847708)

Annual Report and Accounts For the period ended 27 March 2010

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Agent Provocateur Parfum Limited
for the 52 week period ended 27 March 2010

Company Information

Directors	G Hogarth K Wilks
Company number	3847708
Registered office	154 Clerkenwell Road London EC1R 5AB
Independent auditors	PricewaterhouseCoopers LLP Chartered accountants and statutory auditors 1 Embankment Place London WC2N 6RH
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP

Agent Provocateur Parfum Limited
for the 52 week period ended 27 March 2010

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Agent Provocateur Parfum Limited for the 52 week period ended 27 March 2010

Directors' Report

The Directors present their report and audited accounts for the 52 week period ended 27 March 2010

Principal activity

The principal activity of the company is the licensing and sale of Agent Provocateur branded perfume products

Review of the business

The Company made an LBITDA (loss before interest, tax, depreciation and amortisation) of £53,502 (2009 EBITDA £150,190) on a turnover of £nil (2009 £518,388)

The company's performance was affected by its fragrance distributor going into administration with the resultant loss in royalty income and its effect on EBITDA. This agreement was terminated in 2009 and a new distribution agreement has been reached with a new distributor by the company's related company Agent Provocateur Limited. This will commence in financial year 2010/11

Principal risks and uncertainties

The principal risks and uncertainties facing the company relate to the underlying performance of its investments, these are addressed in the individual financial statements of these companies

Key performance indicators 'KPIs'

The business is managed at the Pearl (AP) Group level. The Key Performance Indicators (KPIs) used to manage the business are described below

The measure which, in the opinion of the Directors, gives the best indication of the business' performance is earnings before interest, tax, depreciation and amortisation ("EBITDA") and will normally exclude the effect of exceptional or one-off items. This has been highlighted in the Pearl (AP) Group Limited accounts and will be measured on a consistent basis in future years

Results and dividends

The loss for the year after taxation amounted to £59,843 (2009 profit £111,499)

The directors do not recommend payment of a dividend and no dividends have been paid during the year

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The company seeks to limit the adverse effects on the financial performance of the company by monitoring levels of cash holdings, debt finance and the related finance costs

These risks, as detailed below, are managed at the Pearl (AP) Group Limited level

Agent Provocateur Parfum Limited
for the 52 week period ended 27 March 2010

Directors' Report (continued)

The responsibility of monitoring financial risk management rests with the board of Pearl (AP) Group Limited. The policies are implemented by the company's finance department. The department has specific guidelines within which it manages interest rate risk, credit risk and circumstances where it would be appropriate to use financial instruments to manage these.

Credit risk

Where sales are made to distributors, credit checks are undertaken to help the business understand the risk. Where the Directors have been unable to gain comfort over the credit risk, payment is required to be made in advance.

Liquidity risk

The company's funding is provided by its parent company, Pearl (AP) Group Limited. It has some short term facilities that are in place to ensure the company has sufficient available funds for operations and planned expansions.

Interest rate cash flow risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets comprise of only cash balances, all of which earn interest at floating rate. The company's short term facilities attract interest at a floating rate.

Directors

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

S Rose (resigned 25/02/2010)
J Dunstan (resigned 25/02/2010)
G Hogarth
K Wilks (appointed 25/02/2010)

**Agent Provocateur Parfum Limited
for the 52 week period ended 27 March 2010**

Directors' Report (continued)

Statement of directors' responsibilities

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

- select suitable accounting policies and then apply them consistently,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- make judgements 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information, being information required by the auditors in connection with the preparation of the auditors' report, of which the auditors are unaware. Having made enquiries of fellow directors and the group auditors, each director has taken all steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the annual general meeting.

On behalf of the Board


G Hogarth
Director

Independent Auditors' Report To The Members Of Agent Provocateur Parfum Limited

We have audited the financial statements of Agent Provocateur Parfum Limited for the 52 week period ended 27 March 2010 which comprise of the Profit and Loss Account, the Balance Sheet, and the related notes. 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).

Respective responsibilities of directors and auditors

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 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.

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

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.

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 27 March 2010 and of its loss for the 52 week 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 matter prescribed by the Companies Act 2006

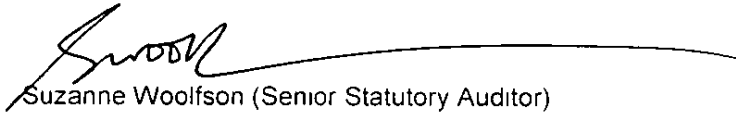
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' Report To The Members Of Agent Provocateur Parfum Limited (continued)

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



Suzanne Woolfson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
16 December 2010

Agent Provocateur Parfum Limited **for the 52 week period ended 27 March 2010**

Profit and loss account

	<i>Notes</i>	2010 £	2009 £
Turnover	2	-	518,388
Cost of sales		(65,027)	(329,070)
Gross(loss)/profit		(65,027)	189,318
Administrative expenses		3,746	(46,884)
Operating (loss)/profit	3	(61,280)	142,434
Analysed as			
(Loss)/earnings before interest, tax, depreciation and amortisation ("LBITDA"/"EBITDA")			
Depreciation	7	(53,502)	150,190
		(7,778)	(7,756)
Interest receivable	5	-	4
(Loss)/profit on ordinary activities before taxation		(61,280)	142,438
Tax on (loss)/profit on ordinary activities	6	1,437	(30,939)
(Loss)/profit on ordinary activities after taxation		(59,843)	111,499

There are no recognised gains and losses other than those passing through the profit and loss account

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

Agent Provocateur Parfum Limited

Balance sheet as at 27 March 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	7		51,018		58,796
Current assets					
Debtors	8	775,465		659,995	
Cash at bank and in hand		650		193,405	
		776,115		853,400	
Creditors amounts falling due within one year	9	(85,803)		(109,585)	
Net current assets			690,312		743,815
Total assets less current liabilities			741,330		802,611
Provisions for liabilities and charges	10		(4,041)		(5,478)
Net assets			737,289		797,133
Capital and reserves					
Share capital	11	100,000		100,000	
Profit and loss account		637,289		697,133	
Total shareholders' funds	12		737,289		797,133

The financial statements were approved by the Board on 16th December 2010 and signed on its behalf by



G Hogarth
Director

Agent Provocateur Parfum Limited (Registered Number 3847708)

Agent Provocateur Parfum Limited

for the 52 week period ended 27 March 2010

Notes to the financial statements

1 Accounting policies

Basis of preparation

These financial statements are prepared on a going concern basis under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The accounting policies have been applied consistently in the current and preceding year and throughout the group.

Consolidated financial statements have not been prepared, as permitted by section 400 of the Companies Act 2006 as the company's ultimate parent, Pearl (AP) Group Limited, is incorporated in Great Britain and prepares group financial statements. These financial statements contain information about Agent Provocateur Parfum Limited as an individual company and do not contain consolidated financial information as the parent of a group.

Agent Provocateur Parfum Limited is a wholly owned subsidiary of Pearl (AP) Group Limited, a company incorporated in the United Kingdom, which produces a consolidated cash flow statement in accordance with Financial Reporting Standard 1 (FRS 1) revised 1996. Consequently the company has taken advantage of the exemption in FRS 1 revised 1996, from producing a cash flow statement in these financial statements.

The company is also exempt under the terms of Financial Reporting Standard 8 (FRS 8) from disclosing related party transactions with other group companies, on the grounds that 100% of the voting rights in the company are controlled within the group and the company is included in consolidated financial statements prepared by the group.

Turnover

Turnover represents royalty revenue which is recognised when a royalty is earned by the distributor. Royalties are principally earned in connection with the distribution of Agent Provocateur perfume.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	4 years
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Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are taken to profit and loss account.

Agent Provocateur Parfum Limited
for the 52 week period ended 27 March 2010

Notes to the financial statements (continued)

2 Turnover

Geographical market

	Turnover	
	2010	2009
	£	£
United Kingdom	-	136,984
Rest of world	-	381,404
	-	518,388

3 Operating (loss)/profit

	2010	2009
	£	£
Operating (loss)/profit is stated after charging		
Depreciation of owned tangible fixed assets	7,778	7,756
Auditors' remuneration - fees for audit of the Company	-	-

The audit fees for the company have been paid by a group company

4 Employees

Other than the directors there were no employees during the year

The directors received no remuneration for their services to the Company

5 Interest receivable and similar income

	2010	2009
	£	£
Interest receivable and similar income	-	4

Agent Provocateur Parfum Limited
for the 52 week period ended 27 March 2010

Notes to the financial statements (continued)

6 Tax on (loss)/profit on ordinary activities

	2010 £	2009 £
Current tax		
<i>UK corporation tax</i>		
Current tax on income for the period	-	42,334
Prior year adjustment	(9,222)	(9,223)
	(9,222)	33,111
Deferred tax		
Origination and reversal of timing differences	1,437	(2,172)
	1,437	(2,172)
	(7,785)	30,939

Factors affecting the tax charge for the year

(Loss)/profit on ordinary activities before taxation	(61,280)	142,438
(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28% (2009 28%)	(17,158)	39,882
Effects of		
Capital allowances for period in excess of depreciation	2,178	2,172
Disallowable expenditure	14,980	280
Prior year adjustment	(9,222)	(9,223)
Current tax charge	(9,222)	33,111

7 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 29 March 2009	86,135
Additions	-
At 27 March 2010	86,135
Depreciation	
At 29 March 2009	27,339
Charge for the period	7,778
At 27 March 2010	35,117
Net book amount	
At 27 March 2010	51,018
At 27 March 2009	58,796

Agent Provocateur Parfum Limited
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Notes to the financial statements (continued)

8 Debtors

	2010	2009
	£	£
Trade debtors	-	27,502
Other debtors	500	500
Due from group undertaking	744,965	585,247
Prepayments and accrued income	-	37,523
Corporation tax	-	9,223
	775,465	659,995

Amounts due from group and subsidiary undertakings are interest free and repayable on demand

9 Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors	78,617	89,244
Other taxes and social security	7,186	7,349
Other creditors	-	-
Corporation tax	-	-
Accruals and deferred income	-	12,992
	85,803	109,585

Agent Provocateur Parfum Limited
for the 52 week period ended 27 March 2010

Notes to the financial statements (continued)

10 Provisions for liabilities and charges

	Deferred taxation £
Balance at 29 March 2009	(5,478)
Profit and loss account	1,437
Balance at 27 March 2010	(4,041)

Deferred tax is provided at 28% (2009 28%) analysed over the following timing differences

	2010 £	2009 £
Accelerated capital allowances	4,041	5,478

11 Share capital

	2010 £	2009 £
Authorised		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

12 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
(Loss)/profit for the financial year	(59,843)	111,499
Opening shareholders' funds	797,133	685,634
Closing shareholders' funds	737,289	797,133

Agent Provocateur Parfum Limited for the 52 week period ended 27 March 2010

Notes to the financial statements (continued)

13 Related party transactions

The company trades in the ordinary course of business with Agent Provocateur Limited

During the year sales totalling £nil (2009 £136,983) were made to Agent Provocateur Limited. At the period end Agent Provocateur Limited owed £774,965 (2009 £627,580) to Agent Provocateur Parfum Limited. At the period end Agent Provocateur Parfum Limited owed Agent Provocateur Limited £ nil (2009 £ nil).

During the period ended 27 March 2010, £ nil (2009 £187,789) royalties were payable to Agent Provocateur Limited.

14 Controlling party

At 27 March 2010, the Directors consider that 3i Group plc, through various managed funds, is considered to be the company's ultimate controlling party.

Copies of the consolidated financial statements of 3i Group plc are available from 16 Palace Street, London, SW1E 5JD.

The immediate parent is Pearl Acquisitions Limited and the smallest parent company into which the company's results are consolidated is Pearl (AP) Group Limited.