

## MIRA INFORM REPORT

<b>Report No. :</b>	522509
<b>Report Date :</b>	01.08.2018

### IDENTIFICATION DETAILS

<b>Name :</b>	URBN UK LIMITED
<b>Registered Office :</b>	C/O Stephenson Harwood, 1 Finsbury Circus, London, Ec2m 7sh
<b>Country :</b>	United Kingdom
<b>Financials (as on) :</b>	31.01.2017
<b>Date of Incorporation :</b>	09.11.1995
<b>Com. Reg. No.:</b>	03124253
<b>Legal Form :</b>	Private limited with Share Capital
<b>Line of Business :</b>	Sale of fashion apparel, accessories and household merchandise and music
<b>No. of Employees :</b>	1837

**RATING & COMMENTS**

(Mira Inform has adopted New Rating mechanism w.e.f. 23<sup>rd</sup> January 2017)

**MIRA's Rating :**

A

Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

<b>Status :</b>	Good
<b>Payment Behaviour :</b>	No Complaints
<b>Litigation :</b>	Clear

**NOTES :**

Any query related to this report can be made on e-mail : [infodept@mirainform.com](mailto:infodept@mirainform.com) while quoting report number, name and date.

**ECGC Country Risk Classification List**

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
United Kingdom	A1	A1

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

### UNITED KINGDOM - ECONOMIC OVERVIEW

The UK, a leading trading power and financial center, is the third largest economy in Europe after Germany and France. Agriculture is intensive, highly mechanized, and efficient by European standards, producing about 60% of food needs with less than 2% of the labor force. The UK has large coal, natural gas, and oil resources, but its oil and natural gas reserves are declining; the UK has been a net importer of energy since 2005. Services, particularly banking, insurance, and business services, are key drivers of British GDP growth. Manufacturing, meanwhile, has declined in importance but still accounts for about 10% of economic output.

In 2008, the global financial crisis hit the economy particularly hard, due to the importance of its financial sector. Falling home prices, high consumer debt, and the global economic slowdown compounded the UK's economic problems, pushing the economy into recession in the latter half of 2008 and prompting the then BROWN (Labour) government to implement a number of measures to stimulate the economy and stabilize the financial markets. Facing burgeoning public deficits and debt levels, in 2010 the then CAMERON-led coalition government (between Conservatives and Liberal Democrats) initiated an austerity program, which has continued under the Conservative government. However, the deficit still remains one of the highest in the G7, standing at 3.6% of GDP as of 2017, and the UK has pledged to lower its corporation tax from 20% to 17% by 2020. The UK had a debt burden of 90.4% GDP at the end of 2017.

The UK's economy has begun to slow since the referendum vote to leave the EU in June 2016. A sustained depreciation of the British pound has increased consumer and producer prices, weighing on consumer spending without spurring a meaningful increase in exports. The UK has an extensive trade relationship with other EU members through its single market membership and economic observers have warned the exit will jeopardize its position as the central location for European financial services. Prime Minister MAY is seeking a new "deep and special" trade relationship with the EU following the UK's exit. However, economists doubt that the UK will be able to preserve the benefits of EU membership without the obligations. The UK is expected to officially leave the EU by the end of March 2019.

Source : CIA

## **CONTACT INFORMATION**

Company name	URBN UK LIMITED
Trading name	Urban Outfitters Anthropologie Free People BHLDN Terrain the Vetri Family
Registered Address	C/O STEPHENSON HARWOOD 1 FINSBURY CIRCUS LONDON EC2M 7SH
Correspondence Address	C/O STEPHENSON HARWOOD 1 FINSBURY CIRCUS LONDON EC2M 7SH
Telephone number	+44 8003624073
Website	<a href="http://www.urbanoutfitters.com">http://www.urbanoutfitters.com</a>

## **REGISTRATION**

Registration number	03124253
VAT-number	GB684936382
Status	Active
Establishment date	09/11/1995
Legal form	Private limited with Share Capital
Subscribed share capital	£78,875,977

## **ACTIVITIES**

Sale of fashion apparel, accessories and household merchandise and music.

## **RELATIONS**

Shareholders	URBN INTERNATIONAL OPERATIONS LIMITED (100%)
Branches	1 SPIRE ROAD RUSHDEN NORTHAMPSHIRE

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## **MANAGEMENT**

Name	Position	Startdate
Richard Allan Hayne	Director	14/11/1995
Francis John Conforti	Director	03/04/2012
Azeez Hayne	Director	26/06/2015
Elizabeth Field	Company Secretary	29/05/1996

## **OTHER RECENT HISTORY**

08/07/2015	Mr G.A. Bodzy has left the board
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## **EMPLOYEES**

Number of Employees	1837
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Payments	
Avarage Invoice Value (GBP)	7030.08
Invoices available	384
Paid	378
Avarage days beyond terms	25

## **BANK**

WELLS FARGO BANK INTERNATIONAL
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## **REMARKS**

Auditor: KINGSTON SMITH LLP
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## **FINANCES**

Balance Sheet									
Date of Accounts	31/01/17		31/01/16		31/01/15		31/01/14		31/01/13
Tangible Assets	£42,007,660	- 11.1 %	£47,257,500	- 17.1 %	£57,014,747	- 4.3%	£59,590,290	-3%	£61,455,940
Intangible Assets	0	-	0	-	0	-	0	-	0
Total Fixed Assets	£42,007,660	- 11.1 %	£47,257,500	- 17.1 %	£57,014,747	- 4.3%	£59,590,290	-3%	£61,455,940
Stock	£15,036,821	15.8 %	£12,990,032	- 11.5 %	£14,675,363	20.1 %	£12,215,763	13.9%	£10,723,778
Trade Debtors	£55,379	- 91.1 %	£625,495	- 46.1 %	£1,160,211	32.9 %	£873,321	122.1 %	£393,272
Cash	£52,003,678	118 %	£23,856,297	38.6 %	£17,217,429	- 26.6 %	£23,451,775	-2.5%	£24,046,436
Other Debtors	£26,235,754	19.6 %	£21,928,352	- 24.1 %	£28,877,013	10.4 %	£26,149,758	28%	£20,434,497
Miscellaneous Current Assets	0	-	0	-	0	-	0	-	0
Total Current Assets	£93,331,632	57.1 %	£59,400,176	- 4.1%	£61,930,016	- 1.2%	£62,690,617	12.8%	£55,597,983
Trade Creditors	£11,042,656	46.3 %	£7,547,354	- 5.7%	£8,006,710	8.2%	£7,403,064	32.7%	£5,577,257
Bank Loans & Overdrafts	0	-	0	-	0	-	0	-	0
Other Short Term Finance	£9,603,604	-	£6,974,685	-	£7,668,202	- 100 %	£5,534,483	-	£69,031,547
Miscellaneous Current Liabilities	£24,024,532	30.6 %	£18,389,570	- 13.8 %	£21,323,427	- 10.8 %	£23,913,513	11%	£21,547,411
Total Current Liabilities	£44,670,792	35.7 %	£32,911,609	-11%	£36,998,339	0.4%	£36,851,060	- 61.7%	£96,156,215
Bank Loans &	£134,476	- 48.7	£261,992	- 54.6	£576,969	- 98.7	£42,870,561	999.9 %	£1,416,000

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		%		%		%			
Overdrafts and LTL									
Other Long Term Finance	0	-	0	-	0	- 100 %	£41,318,561	-	0
Total Long Term Liabilities	£134,476	- 48.7 %	£261,992	- 54.6 %	£576,969	- 98.7 %	£42,870,561	999.9 %	£1,416,000

**Capital & Reserves**

Date of Accounts	31/01/17		31/01/16		31/01/15		31/01/14		31/01/13
Called Up Share Capital	£78,875,977	0%	£78,875,973	3.5%	£76,182,120	152.4 %	£30,185,058	278.5 %	£7,974,623
P & L Account Reserve	££11,056,881	- 39.8 %	££7,907,438	- 354.3 %	£3,109,873	- 71.5%	£10,923,228	4.6%	£10,447,085
Revaluation Reserve	-	-	-	-	-	-	-	-	-
Sundry Reserves	£22,714,928	803 %	£2,515,540	21.1%	£2,077,462	43.2%	£1,451,000	36.9%	£1,060,000
Shareholder Funds	£90,534,024	23.2 %	£73,484,075	-9.7%	£81,369,455	91.2%	£42,559,286	118.5 %	£19,481,708

**Other Financial Items**

Date of Accounts	31/01/17		31/01/16		31/01/15		31/01/14		31/01/13
Net Worth	£90,534,024	0%	£73,484,075	3.5%	£81,369,455	152.4 %	£42,559,286	278.5 %	£19,481,708
Working Capital	£48,660,840	- 39.8 %	£26,488,567	- 354.3 %	£24,931,677	- 71.5%	£25,839,557	4.6%	££40,558,232
Total Assets	£135,339,292	-	£106,657,676	-	£118,944,763	-	£122,280,907	-	£117,053,923
Total Liabilities	£44,805,268	803 %	£33,173,601	21.1%	£37,575,308	43.2%	£79,721,621	36.9%	£97,572,215
Net Assets	£90,534,024	23.2 %	£73,484,075	-9.7%	£81,369,455	91.2%	£42,559,286	118.5 %	£19,481,708

**Ratios**

Date of Accounts	31/01/17		31/01/16		31/01/15		31/01/14		31/01/13
Pre-tax profit margin %	-1.45		-6.52		-5.15		1.10		-2.73

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Current ratio	2.09		1.80		1.67		1.70		0.58
Sales Net Working Capital	3.85		6.56		6.72		5.88		-3.41
Gearing %	0.10		0.40		0.70		100.70		7.30
Equity in %	66.90		68.90		68.40		34.80		16.60
Creditor Days	21.42		15.80		17.40		17.72		14.68
Debtor Days	0.10		1.30		2.52		2.09		1.03
Liquidity/Acid Test	1.75		1.41		1.27		1.36		0.46
Return On Capital Employed %	-3		-15.36		-10.51		1.96		-18.08
Return On Total Assets Employed %	-2.01		-10.62		-7.24		1.37		-3.22
Current Debt Ratio	0.49		0.44		0.45		0.86		4.93
Total Debt Ratio	0.49		0.45		0.46		1.87		5
Stock Turnover Ratio %	8.01		7.47		8.76		8.03		7.75
Return On Net Assets Employed %	-3.01		-15.42		-10.59		3.94		-19.40

**FOREIGN EXCHANGE RATES**

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.61
UK Pound	1	INR 90.07
Euro	1	INR 80.37
GBP	1	INR 90.14

**Note :** Above are approximate rates obtained from sources believed to be correct

**INFORMATION DETAILS**

<b>Analysis Done by :</b>	NIY
<b>Report Prepared by :</b>	KET

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**RATING EXPLANATIONS**

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)