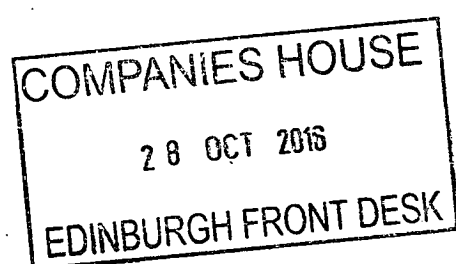


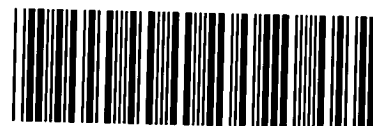
Genesco (UK) Limited

Report and Financial Statements

30 January 2016



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COMPANIES HOUSE

Directors

Mimi E. Vaughn
Roger G. Sisson

Secretary

Taylor Wessing Secretaries Limited
5 New Street Square
London, England
EC4A 3TW

Auditors

Ernst & Young LLP
G1, 5 George Square
Glasgow
G2 1DY

Solicitors

Taylor Wessing LLP
5 New Street Square
London, England
EC4A 3TW

Registered Office

5 New Street Square
London, England
EC4A 3TW

Strategic report

The directors present their strategic report for the year ended 30 January 2016.

Review of the business

The principal activity of the company is that of an investment holding company. During the year the group transitioned from UK GAAP to FRS102. An explanation of how the transition to FRS102 has affected the reported financial position and financial performance is given in note 1.

The company was incorporated on 13 June 2011 and its fiscal year ends on the Saturday closest to 31 January. On 23 June 2011 the company acquired the entire share capital of Schuh Group Limited, a company registered in Scotland for consideration of £79,046,151. The consideration consisted of a £45,648,881 cash payment, £5,000,000 in retention loan notes payable to the former owners in June 2013 subsequently paid, £15,000,000 in consideration loan notes payable to the former owners in June 2014 subsequently paid, £10,000,000 in consideration loan notes payable to the former owners in June 2015 and £3,397,270 payable to the former owners upon the receipt of the Schuh Group Limited Fiscal 2012 income tax refund from HMRC.

The loss for the period after taxation amounted to £4,678,263 (2015: £4,214,459).

Genesco (UK) Limited issued Loan Notes to Genesco Jersey Ltd in January 2012. Genesco UK Limited then issued these on the Channel Island Stock Exchange (CISE) in February 2012 at a value of £44,985,155 at a fixed coupon rate of 7.7% redeemable in 2021.

Interest payable was £4,666,927 (2015: £4,196,960).

Key performance indicators

Measurement of the company's performance is consistently applied and control is exercised by local and divisional management. The company has a budgeting system in place whereby actual performance is measured against budget on a monthly reporting timetable.

Principal risks and uncertainties

In view of its limited activities, the company is only exposed to risks arising from:

- Investment risk, in that the value of its investment in Schuh Group Limited could fall below its historical cost carrying value. Schuh Group seeks to maintain and improve its revenues through differentiation in its delivery of high standards of customer service. Costs are carefully controlled through commercially sound authorization procedures and regular, sophisticated management reporting. The carrying value of investments is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.
- Interest rate risk, the company is exposed to fair value risk on the fixed rate from the loan notes issued and cash flow risk from the variable rates on the revolver facility. Interest rate risk is monitored and reviewed through the Group treasury function.

Strategic report (continued)

Financial risk management objectives and policies

The company does not permit trade in any financial instruments.

On behalf of the Board



Mimi E. Vaughan
Director
27 October 2016

Directors' report

The directors present their report and financial statements for the year ended 30 January 2016.

Directors

The directors who served the company during the year were as follows:

Mimi E. Vaughn

Roger G. Sisson

Future developments

The company expects similar activity in fiscal 2017 continuing as a holding company.

Going Concern

In line with the FRC guidance on Going Concern issued in April 2016, the directors have undertaken an exercise to review the appropriateness of the continued use of the Going Concern basis. The company's business activities, a review of the business and a description of the principal risks and uncertainties, together with the company's financial risk management objectives and policies and narrative regarding its exposure to key financial risks are outlined in the Strategic Report.

After making such enquiries, the directors have a reasonable expectation that the company has adequate resources to meet its liabilities as they fall due for the foreseeable future. The Directors have received confirmation that the company will continue to receive financial support from its immediate parent undertaking, Genesco Inc. which has agreed to provide adequate funds for the company to meet its liabilities as they fall due for at least a period of one year from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in the preparation of the accounts.

Directors' qualifying third party indemnity provisions

Genesco Inc. the parent undertaking of the company, has arranged insurance cover to indemnify one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Disclosure of information to the auditors

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

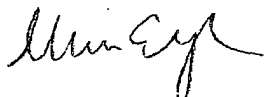
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish the company's auditors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

Directors' report (continued)

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company.

On behalf of the Board



Mimi E. Vaughn

Director

27 October 2016

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Director's 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). 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Genesco (UK) Limited

We have audited the financial statements of Genesco (UK) Limited for the year ended 30 January 2016 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position and the related notes 1 to 12. 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'.

This report is made solely to the company's member, 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 member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements 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 30 January 2016 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the member of Genesco (UK) 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

Ernst & Young LLP

Annie Graham (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow
27 October 2016

Income Statement

For the year ended 30 January 2016

	Notes	Year ended 30 January 2016	Year ended 31 January 2015
		£000	£000
Other operating charges		(11)	(17)
Operating loss		(11)	(17)
Interest payable and similar charges	3	(4,667)	(4,197)
Loss on ordinary activities before taxation		(4,678)	(4,214)
Tax	5	-	-
Loss for the financial year		(4,678)	(4,214)

All items in the income statement relate to continuing operations.

Statement of Comprehensive Income

For the year ended 30 January 2016

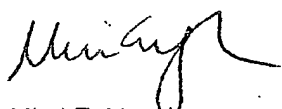
There are no other items of comprehensive income other than the loss attributable to the shareholder of the company of £4,678,263 in the year ended 30 January 2016 (2015 – loss of £4,214,459).

Statement of Financial Position

at 30 January 2016

	Notes	2016	2015
		£000	£000
Fixed assets			
Investments	6	79,046	79,046
Debtors	7	5,831	3,742
Creditors amounts falling due within one year	8	(7,603)	(19,241)
Net current liabilities		(1,772)	(15,499)
Total assets less current liabilities		77,274	63,547
Creditors amounts falling due after more than one year	9	(71,419)	(53,014)
Net assets		5,855	10,533
Capital and reserves			
Called up share capital	10	24,828	24,828
Profit and loss account		(18,973)	(14,295)
Shareholder's funds		5,855	10,533

The financial statements were approved for issue by the Board of Directors on 27 October 2016



Mimi E. Vaughn
Director

Company Registration Number 07667223

Company Statement of Changes in Equity

at 30 January 2016

	<i>Profit & loss account</i>	<i>Called-up capital</i>	<i>Total Equity</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
Balance at 31 January 2015	(14,295)	24,828	10,533
Profit (Loss) for the financial year	(4,678)	-	(4,678)
Total comprehensive income (loss) for the period	(4,678)	-	(4,678)
Balance at 30 January 2016	(18,973)	24,828	5,855

Notes to the financial statements

at 30 January 2016

1. Accounting policies

Fundamental accounting concept

The financial statements have been prepared under the going concern concept on the basis that the Directors have received confirmation that the company will continue to receive financial support from its immediate parent undertaking, Genesco Inc., which has agreed to provide adequate funds for the company to meet its liabilities as they fall due for at least a period of one year from the date of approval of these financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with The Companies Act 2006.

This is the first period in which the financial statements have been prepared under FRS 102. The comparative figures within the financial statements have been translated to apply FRS102. There were no transition adjustments arising. The last financial statements under UK GAAP were for the year ended 31 January 2015.

The date of transition to FRS 102 was 01 February 2015. The financial statements are prepared in Sterling which is the functional currency of the company and rounded to the nearest £'000.

FRS 102 grants certain first-time adoption exemptions from the full requirement of FRS 102. The following exemptions have been taken in these financial statements:

- Separate financial statements – The company has elected to treat the carrying amount of investments in subsidiaries under previous UK GAAP at the date of transition as deemed cost on transition to FRS 102

The company is included in the consolidated financial statements of Genesco Inc, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No cash flow statement with related notes is included
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Judgments and key sources of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant impact on amounts recognized in the financial statements.

Notes to the financial statements

at 30 January 2016

1. Accounting policies (*continued*)

Judgments and key sources of estimates (continued)

The following are the company's key sources of estimation uncertainty.

Recoverability of amounts due from group undertakings

The company has a receivables from other Genesco Group companies of £5,831,000 (2015: £3,742,000), (note 7) arising from the funding of transactions by Genesco Group companies. The recoverability of this is ultimately dependent on the trading performance of the group. The Directors have considered the overall performance of the Genesco Group and determined that there is no objective evidence of impairment of these receivables.

Investments

Investments in subsidiary undertakings are held at cost. The carrying value of investments are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted
- Provision is made for deferred tax that would arise on remittance of the retained earnings of subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Financial assets

Short-term debtors

Debtors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognized in the income statement in other operating expenses.

Financial liabilities

Loan notes

Loan notes which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortized cost using the effective interest method. Loan notes that are receivable within one year are not discounted.

Notes to the financial statements (continued)

at 30 January 2016

2. Directors' emoluments

No director received, or was due to receive, any emoluments in connection with their service as a director of this company in the current financial year.

3. Interest payable and similar charges

	Year ended 30 January 2016 £000	Year ended 31 January 2015 £000
On loans notes issued	4,532	4,197
On revolver credit facility	135	-
	<u>4,667</u>	<u>4,197</u>

4. Operating loss

	Year ended 30 January 2016 £000	Year ended 31 January 2015 £000
Audit fees	3	3
	<u>3</u>	<u>3</u>

5. Tax

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20.16% (2015 – 21.32%). The differences are reconciled below.

	Year ended 30 January 2016 £000	Year ended 31 January 2015 £000
Loss on ordinary activities before tax	(4,678)	(4,214)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.16% (2015 – 21.32%)	(943)	(899)
<i>Effects of</i>		
Movements in short term timing differences	0	359
Transfer pricing adjustment	56	61
Group relief not paid for	373	190
Losses not utilised	514	289
Current tax for the year	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

at 30 January 2016

5. Tax (continued)

The company has not recognized deferred tax asset in respect of tax losses carried forward as at 30 January 2016 on the basis that the timing during which tax losses could be regarded as recoverable against future profits cannot be determined with reasonable certainty. The unprovided deferred tax asset is estimated at £1,446k (2015 - £1,207k)

6. Investments

	<i>Subsidiary undertakings £000</i>
Cost	
At 31 January 2015 and 30 January 2016	79,046
	<u>79,046</u>

The company holds directly 100% of the ordinary share capital of Schuh Group Limited, incorporated in Scotland. Schuh Limited's principal activity is the sale of footwear through its chain of retail stores and via on-line activities.

On 23 June 2011 the company acquired the entire share capital of Schuh Group Limited, a company registered in Scotland for consideration of £79,046,151. The consideration consisted of a £45,648,881 cash payment, £5,000,000 in retention loan notes paid to the former owners in June 2013, £15,000,000 in consideration loan notes paid to the former owners in June 2014, £10,000,000 in consideration loan notes paid to the former owners in June 2015 and £3,397,270 paid to the former owners following receipt of the Schuh Group Limited Fiscal 2012 income tax refund from HMRC.

The capital and reserves at 30 January 2016 and the profit for the year then ended for Schuh Group Limited were as follows

<i>Name of undertaking</i>	<i>Capital and reserves as at 30 January 2016 £000</i>	<i>Profit for the year ended 30 January 2016 £000</i>
Schuh Group Limited	47,289	10,315

Notes to the financial statements (continued)

at 30 January 2016

7. Debtors

	2016 £000	2015 £000
Intercompany debtors	5,831	3,742
	<u>5,831</u>	<u>3,742</u>

Funding transactions are conducted through other group companies due to the company not holding cash balances.

8. Creditors: amounts falling due within one year

	2016 £000	2015 £000
Accruals	7,603	5,844
Consideration loan notes	0	10,000
B loan notes	0	3,397
	<u>7,603</u>	<u>19,241</u>

£10,000,000 consideration loan notes were paid on 23 June 2015, respectively, and do not bear interest. The £3,397,270 B loan notes were also paid 23 June 2015 upon the receipt of the Schuh Group Limited Fiscal 2012 income tax refund from HMRC and do not bear interest.

9. Creditors: amounts falling due after more than one year

	2016 £000	2015 £000
Loan notes listed on the Channel Island stock exchange (due 2021)	55,819	53,014
Revolver Borrowings	15,600	0
	<u>71,419</u>	<u>53,014</u>

Loan notes issued

Genesco (UK) Limited issued Loan Notes to Genesco Jersey Ltd in January 2012. Genesco UK Limited then issued these on the CISE in February 2012 at a value of £44,985k, at a fixed coupon rate of 7.7% redeemable in 2021.

During the year Payment in Kind interest of £2,805k was rolled up into the loan notes resulting in the increased liability.

Notes to the financial statements (continued)

at 30 January 2016

Revolver borrowings

The revolver borrowing facility has a five-year term expiring in 31 January 2019. Interest rate on the facility is Libor + 1.25%.

On 04 December 2015, Genesco Inc. and certain subsidiaries of Genesco Inc. party thereto, as other borrowers, including Genesco UK Ltd entered into the First Amendment to the Third Amended and Restated Credit Agreement dated 31 January 2014 (the "Credit Facility"). The Credit Facility provides revolving credit in the aggregate principal amount of \$400.0 million.

The Credit Facility includes a revolving credit subfacility for the benefit of Genesco (UK) Limited in an aggregate amount not to exceed \$50.0 million, which includes a \$10.0 million sublimit for the issuance of letters of credit and a swingline subfacility of up to \$10.0 million. The facility has a five-year term from 31 January 2014. Any swingline loans and any letters of credit and borrowings under the UK facilities will reduce the availability under the Credit Facility on a dollar-for-dollar basis.

Genesco (UK) Limited has a one-time option to increase the availability of its subfacility under the Credit Facility by an additional amount of up to \$50.0 million.

The relevant assets of Genesco (UK) Limited will be included in the Borrowing Base of the facility if the additional \$50.0 million sublimit increase is exercised, provided that amounts borrowed by Genesco (UK) Limited based solely on its own borrowing base will be limited to \$50.0 million and the total outstanding to Genesco (UK) Limited will not exceed 30% of the Loan Cap.

The loans and other obligations under the Credit Facility are secured by a perfected first priority lien and security interest in all tangible and intangible assets and excludes real estate and leaseholds of Genesco Inc. and certain subsidiaries of the Genesco Inc., including a pledge of 65% of the Genesco Inc.'s interest in Genesco (UK) Limited. The assets of Genesco (UK) Limited will not be pledged as collateral unless the additional \$50.0 million sublimit increase is exercised and once pledged, will only serve to secure the obligations of GCO Canada, Inc. and Genesco (UK) Limited and their respective subsidiaries.

At 30 January 2016 there were £15,600,000 in borrowings under the Genesco (UK) Limited part of the credit facility and the additional \$50.0 million sublimit increase had not been exercised so the assets of Genesco (UK) Limited have not been pledged as collateral.

10. Issued share capital

<i>Allotted, called up and fully paid</i>	<i>No</i>	<i>2016</i>	<i>No</i>	<i>2015</i>
		<i>£000</i>		<i>£000</i>
Ordinary shares of £1 each	24,828,387	24,828	24,828,387	24,828
	<u>24,828,387</u>	<u>24,828</u>	<u>24,828,387</u>	<u>24,828</u>

On 13 June 2011, 24,828,387 shares were issued at £1 par.

Notes to the financial statements (continued)

at 30 January 2016

11. Related party transactions

The company has taken advantage of the exemption in FRS 102 not to disclose transactions with other group companies which meet the criteria that all subsidiary undertakings which are party to the transactions are wholly owned by the ultimate parent undertaking.

12. Ultimate parent undertaking and controlling party

The company's immediate parent and ultimate parent undertaking is Genesco Inc. which is incorporated in the United States of America. The only group of which the company is a member and for which group financial statements are prepared is that headed by Genesco Inc. Copies of the Fiscal 2016 Annual Report of Genesco Inc. can be obtained from the following address:

Genesco Inc.
1415 Murfreesboro Pike
Nashville, TN 37217
USA