

# Carlisle Group Limited

Directors' Reports and Financial Statements

for the 53 week period ended 2 January 2015



**Carlisle Group Limited**  
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**Carlisle Group Limited**  
**Company Information**

<b>Directors</b>	J Robertson R J Watson
<b>Company secretary</b>	R J Watson
<b>Registered office</b>	800 The Boulevard Capability Green Luton Bedfordshire LU1 3BA
<b>Bankers</b>	Barclays Bank plc 1 Churchill Place London E14 5HP
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP 10 Bricket Road St Albans Hertfordshire AL1 3JX

**Carlisle Group Limited**  
**Strategic Report for the 53 week period ended 2 January 2015**

The directors present their strategic report for the 53 week period ended 2 January 2015.

**Business review**

***Fair review of the business***

The principal activity of the company is that of an investment holding company. The directors are satisfied with the performance of the company and expect no change in the foreseeable future.

The company did not pay a dividend during the current or prior period.

**Insurance**

Impellam Group plc ("the Group"), of which the company is a member, maintains a comprehensive insurance programme with a number of reputable third party underwriters. These insurance policies are reviewed annually to ensure that there is adequate cover for insurable risks and that the terms of those policies are optimised.


***Principal risks and uncertainties***

The principal risks and uncertainties of the Group, which include those of the company, are discussed in the Finance Report in the Group's annual report which does not form part of this report. The Group's business and financial risks are managed at a Group level, rather than at an individual company level. For this reason, the company's directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the company.

**Technology systems**

The business continues to develop and enhance controls, the associated disaster recovery systems, including physically separate disaster recovery sites, and other areas to improve its ability to cope with the loss or disruption of a technology system as a result of any such event. In addition, data protection is a key priority and specific contractual provisions exist to ensure safety and security of confidential data.

Approved by the Board on 30 March 2015 and signed on its behalf by:

  
.....  
R J Watson  
Company secretary and director

# **Carlisle Group Limited**

## **Directors' Report for the 53 week period ended 2 January 2015**

The directors present their report and the audited financial statements of the company for the 53 week period ended 2 January 2015.

### **Directors of the company**

The directors of the company who were in office during the period and up to the date of signing the financial statements were :

A J Burchall (resigned 31 July 2014)

J Robertson (appointed 30 June 2014)

R J Watson

### **Results and dividends**

The audited financial statements for the fifty-three weeks ended 2 January 2015 are set out on pages 7 to 14. The Company profit for the period was £nil (27 December 2013: loss £273,000), which is transferred to reserves. The directors do not recommend payment of a dividend for the period (27 December 2013: £nil).

### **Going concern**

These financial statements have been prepared on a going concern basis.

As at 2 January 2015 the company had net current liabilities amounting to £13,385,000. The company is dependent, in the absence of other funding, on the continued support of the ultimate parent company, Impellam Group plc. The ultimate parent company has confirmed that it will continue to support the company for the foreseeable future and at least a period of twelve months from the date the financial statements are signed. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

### **Donations**

There were no political donations made by the company in either the period ended 2 January 2015 or the period ended 27 December 2013.

### **Directors' liabilities**

During the year and to the date of these financial statements, the Group had in force an indemnity provision in favour of one or more Directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

### **Disclosure of information to auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

### **Reappointment of independent auditors**

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of directors responsibilities**

The directors are responsible for preparing the Strategic Report, 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 period. Under that law the directors have prepared 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;
- make judgements and accounting 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.

## Carlisle Group Limited

### Directors' Report for the 53 week period ended 2 January 2015

..... *continued*

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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board on 30 March 2015 and signed on its behalf by:



.....  
R J Watson

Company secretary and director

# **Independent Auditors' Report to the members of Carlisle Group Limited**

## **Opinion on financial statements**

In our opinion, Carlisle Group Limited 's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 2 January 2015 and of its result for the 53 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.

## **What we have audited**

Carlisle Group Limited 's financial statements comprise:

- the balance sheet as at 2 January 2015;
- the profit and loss account for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

## **Opinion on other matter prescribed by the Companies Act 2006**

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

## **Other matters on which we are required to report by exception**

*Adequacy of accounting records and information and explanations received*

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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

We have no exceptions to report arising from this responsibility.

## *Directors' remuneration*

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

## **Responsibilities for the financial statements and the audit**

*Our responsibilities and those of the directors*

As explained more fully in the Statement of Directors' Responsibilities (set out in the Directors' report), 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) ("ISAs (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.

**Independent Auditors' Report to the members of  
Carlisle Group Limited**

**..... continued**

**What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK and Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Directors' 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.



Archie Wilson (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Uxbridge

30 March 2015



**Carlisle Group Limited**  
**Profit and Loss Account for the 53 week period ended 2 January 2015**

		<b>53 week 2 January 2015 £ 000</b>	<b>52 week 27 December 2013 £ 000</b>
Operating result		-	-
Result on ordinary activities before taxation		-	-
Tax on result on ordinary activities	5	-	(273)
Result/(loss) for the financial period	10	-	(273)

The operating results for the current and prior periods derive wholly from continuing operations.

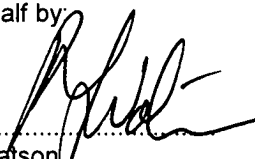
The company has no recognised gains or losses for the current and prior periods other than the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the result on ordinary business activities before taxation and the retained result/(loss) for the period stated above and their historical cost equivalents for the current and prior periods.

**Carlisle Group Limited**  
**Registration number: 00511804**  
**Balance Sheet as at 2 January 2015**

	Note	2 January 2015 £ 000	27 December 2013 £ 000
<b>Fixed assets</b>			
Investments	6	<u>36,507</u>	<u>36,507</u>
<b>Current assets</b>			
Debtors	7	46,888	46,929
Creditors: Amounts falling due within one year	8	<u>(60,273)</u>	<u>(60,314)</u>
Net current liabilities		<u>(13,385)</u>	<u>(13,385)</u>
Total assets less current liabilities		<u>23,122</u>	<u>23,122</u>
Net assets		<u>23,122</u>	<u>23,122</u>
<b>Capital and reserves</b>			
Called up share capital	9	56,481	56,481
Share premium account	10	702	702
Other reserves	10	22	22
Profit and loss account	10	<u>(34,083)</u>	<u>(34,083)</u>
Total shareholders' funds	11	<u>23,122</u>	<u>23,122</u>

The financial statements on pages 7 to 14 were approved by the Board on 30 March 2015 and signed on its behalf by:

  
 .....  
 R J Watson  
 Company secretary and director

**Carlisle Group Limited**  
**Notes to the Financial Statements for the 53 week period**  
**ended 2 January 2015**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable UK accounting standards and the Companies Act 2006. The principal accounting policies have been applied consistently during the year and are set out below.

**Exemption from preparing a cash flow statement**

The company has taken advantage of the exemption under FRS 1 (Revised 1996) 'Cash flow Statements' not to publish a cash flow as its ultimate parent, Impellam Group plc, a company incorporated in the United Kingdom, has prepared consolidated financial statements which are publicly available.

**Exemption from preparing group financial statements**

The company has taken exemption from preparing group financial statements as it is included in consolidated financial statements for Impellam Group plc which are drawn up as full consolidated audited financial statements which are filed at Companies House as per section 400 of the Companies Act 2006.

**Significant accounting judgements**

In applying the company's accounting policies the following judgements have been made that may have a significant effect on the amounts recognised in the financial statements:

*Recoverability of debtors*

The company determines whether debtors are impaired if events or changes in circumstances indicate that the carrying value may not be recoverable at least on an annual basis.

**Going concern**

These financial statements have been prepared on a going concern basis.

As at 2 January 2015 the company had net current liabilities amounting to £13,385,000. The company is dependent, in the absence of other funding, on the continued support of the ultimate parent company, Impellam Group plc. The ultimate parent company has confirmed that it will continue to support the company for the foreseeable future and at least a period of twelve months from the date the financial statements are signed. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

**Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

**Carlisle Group Limited**  
**Notes to the Financial Statements for the 53 week period**  
**ended 2 January 2015**

..... *continued*

**Taxation**

Current tax is recognised at the amounts estimated to be payable or recoverable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are recognised, subject to certain exceptions, in respect of all material timing differences between the recognition of gains and losses in the financial statements and for tax purposes. Those timing differences recognised may include accelerated capital allowances, unrelieved tax losses and short term timing differences. Timing differences not recognised include those relating to the revaluation of fixed assets in the absence of a commitment to sell the revalued assets and the gain on sale of assets rolled over into replacement assets in the absence of a commitment to sell the replacement assets.

Deferred tax assets are recognised to the extent that they are regarded as recoverable. They are regarded as recoverable to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is calculated on a non-discounted 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 balance sheet date.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial assets and financial liabilities are recorded at fair value on the transaction date, on the company's balance sheet when the company has become a party to the contractual provisions of the instrument and derecognised when this is no longer the case.

**Capital instruments**

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument at a constant rate on the carrying amount.

**2 Auditors' remuneration**

Auditors' remuneration for the current and prior periods has been borne by a fellow group company.

**3 Particulars of employees**

Other than the directors, the company had no employees throughout the period (27 December 2013: none).

**4 Directors' remuneration**

The emoluments of the directors are paid by the ultimate parent company, or by another group company. The directors' services to this company are of a non-executive nature and are deemed to be attributable to services to the remunerating company. Accordingly, the directors received no remuneration for services to the company in the period (27 December 2013: £nil).

**Carlisle Group Limited**  
**Notes to the Financial Statements for the 53 week period**  
**ended 2 January 2015**

..... *continued*

**5 Tax on result on ordinary activities**

	<b>53 weeks 2 January 2015 £ 000</b>	<b>52 weeks 27 December 2013 £ 000</b>
<b>Current tax</b>		
Adjustments in respect of previous years	-	273

**Factors affecting current tax charge for the period**

Tax on profit/loss on ordinary activities for the year is the same as (27 December 2013: higher than) the standard rate of corporation tax in the UK of 21.5% (27 December 2013: 23.3%).

The differences are reconciled below:

	<b>53 week 2 January 2015 £ 000</b>	<b>52 week 27 December 2013 £ 000</b>
Result on ordinary activities before taxation	-	-
Corporation tax at standard rate	-	-
Debt cap adjustments	322	(9)
Adjustments in respect of previous years	-	273
Use of losses brought forward	(230)	-
Effect of group relief not at the standard rate of tax	-	182
Transfer pricing adjustments (see below)	(92)	(173)
<b>Total current tax</b>	<b>-</b>	<b>273</b>

Unrecognised assets relating to losses (including £5,348,000 (27 December 2013: £5,615,000) relating to capital losses) are recoverable in the event of the company making sufficient taxable profits of the right type. They may be subject to legislation restricting the right to offset them. The amount not recognised due to uncertainty over future utilisation at the period end was £9,844,000 (27 December 2013: £7,047,000).

UK legislation requires, in broad terms, that most transactions between connected parties be at an arm's length price for tax purposes (commonly known as 'transfer pricing'). As a result, this company must make an adjustment for deemed net interest on intercompany balances that has not been recognised in the financial statements.

UK legislation also places restrictions on the amount of interest payable by a group of companies which can be deducted for tax purposes (commonly known as the 'debt cap rules'), but also allows a restricted exemption for interest receivable subject to various conditions.

Under Finance Act 2013, the standard rate of tax has been reduced to 20% with effect from 1 April 2015.

**Carlisle Group Limited**  
**Notes to the Financial Statements for the 53 week period**  
**ended 2 January 2015**

..... *continued*

**6 Fixed asset investments**

	2 January 2015 £ 000	27 December 2013 £ 000
Shares in group undertakings and participating interests	36,507	36,507

**Shares in group undertakings and participating interests**

	Subsidiary undertaking £ 000
<b>Cost</b>	
At 28 December 2013	42,025
At 2 January 2015	42,025
<b>Provision for impairment</b>	
At 28 December 2013	(5,518)
At 2 January 2015	(5,518)
<b>Net book value</b>	
At 2 January 2015	36,507
At 27 December 2013	36,507

**Details of undertakings**

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
<b>Subsidiary undertakings</b>			
BMS Limited	Ordinary	100%	Holding company
Chadwick Nott (Holdings) Limited	Ordinary	100%	Employment services
Carlisle Events Services Limited	Ordinary	100%	Dormant

The directors believe that the carrying value of the investments is supported by their underlying trade and net assets.

**Carlisle Group Limited**  
**Notes to the Financial Statements for the 53 week period**  
**ended 2 January 2015**

..... *continued*

**7 Debtors**

	2 January 2015 £ 000	27 December 2013 £ 000
Amounts owed by group undertakings	<u>46,888</u>	<u>46,929</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

**8 Creditors: Amounts falling due within one year**

	2 January 2015 £ 000	27 December 2013 £ 000
Amounts owed to group undertakings	<u>60,273</u>	<u>60,314</u>

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

**9 Called up share capital**

**Allotted, called up and fully paid shares**

	2 January 2015		27 December 2013	
	Number Thousands	£ 000	Number Thousands	£ 000
Ordinary of £0.10 each	563,814	56,381	563,814	56,381
Preferred ordinary of £0.10 each	<u>1,000</u>	<u>100</u>	<u>1,000</u>	<u>100</u>
	<u>564,814</u>	<u>56,481</u>	<u>564,814</u>	<u>56,481</u>

**10 Reserves**

	Share premium account £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 28 December 2013	<u>702</u>	<u>22</u>	<u>(34,083)</u>	<u>(33,359)</u>
At 2 January 2015	<u>702</u>	<u>22</u>	<u>(34,083)</u>	<u>(33,359)</u>

The other reserve is not available for distribution.

**Carlisle Group Limited**  
**Notes to the Financial Statements for the 53 week period**  
**ended 2 January 2015**

..... *continued*

**11 Reconciliation of movements in total shareholders' funds**

	2 January 2015 £ 000	27 December 2013 £ 000
Loss for the financial period	-	(273)
Net reduction to shareholders' funds	-	(273)
Total shareholders' funds at start of period	23,122	23,395
Total shareholders' funds at end of period	23,122	23,122

**12 Contingent liabilities**

The company has given cross guarantees as follows:

- a) As part of the Group's invoice discounting facility of the Group of which the company is a member; the net aggregate amount outstanding against this facility at 2 January 2015 was £39,757,000 (27 December 2013: £20,054,000).
- b) In respect of the Group's Term loan due 2019; the net aggregate amount outstanding at 2 January 2015 was £14,250,000 (27 December 2013: £nil).

**13 Related party transactions**

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the Group.

**14 Control**

The company's immediate parent undertaking is Impellam UK Limited, a company incorporated in England and Wales.

The directors regard Impellam Group plc, a company incorporated in England and Wales, as the ultimate parent undertaking. This is also the parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared. Copies of the group financial statements of Impellam Group plc will be delivered to, and be available from, the Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF14 3UZ.

At 2 January 2015, the Lombard Trust was interested in and controlled 52.7% of Impellam Group plc.