

Company Registration No. 05825842

CPW Irlam Limited

Report and Financial Statements

For the year ended 31 March 2014



CPW Irlam Limited

Report and financial statements 2014

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CPW Irlam Limited

Officers and professional advisors

Directors

N Langstaff (resigned 2 January 2015)
T Morris (resigned 7 January 2015)
A Sunderland (appointed 7 January 2015)
P James (appointed 7 January 2015)

Registered office

1 Portal Way
London
W3 6RS

Bankers

HSBC Bank PLC
Level 19, 8 Canada Square
London
EC14 5HQ

CPW Irlam Limited

Strategic report

This strategic report has been prepared for CPW Irlam Limited and in preparing this strategic report the directors of the company have complied with s 414C of the Companies Act 2006

Principal activities

The principal activity of the company is the investment in and letting of commercial property

The company is a wholly owned subsidiary of Dixons Carphone plc (formerly Carphone Warehouse Group plc)

Review of the business

The profit after taxation for the financial year was £5,000 (2013 – loss of £10,000)

The principal income for the company is rental income and the principal expenses are interest and depreciation. As such, the directors do not consider there to be any further key performance indicators

Principal risks and uncertainties.

Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the main financial risk the directors consider relevant to this company is interest rate risk. Funding for all subsidiaries of Dixons Carphone plc, including CPW Irlam Limited, is arranged centrally. The group regularly monitors interest rate risk and does not trade or speculate in any financial instruments



A Sunderland
Director
8 January 2015

CPW Irlam Limited

Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements for the year ended 31 March 2014

Dividends

The directors do not recommend the payment of a dividend for the year (2013 - £nil)

Going concern basis

The company disposed of commercial property on 17 April 2014 and therefore ceased trading after the balance sheet date (as disclosed in note 15 to the financial statements) As a result the directors have prepared the accounts on a basis other than the going concern basis as set out in note 1 to the financial statements The company has received commitments from its parent company that it will provide financial support if required to ensure that the company can meet its liabilities as they fall due

Directors

The directors who served throughout the year and subsequently, except as noted, are shown on page 1

Environment

A full analysis of the key regulatory and social risks of the industry in which Dixons Carphone plc operates is described in the group's annual report, which does not form part of this report As a subsidiary entity, CPW Irlam Limited operates in accordance with group policies

Donations

The company made no charitable or political donations in the year (2013 - £nil)

Audit exemption

For the year ended 31 March 2014 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 ('the Act') relating to subsidiary companies

Directors' responsibilities

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the board of directors and signed on its behalf by



A Sunderland
Director
8 January 2015

CPW Irlam Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual 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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, and
- 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 Act. 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.

CPW Irlam Limited

Profit and loss account For the year ended 31 March 2014

		Year ended 31 March 2014 £'000	Year ended 31 March 2013 £'000
	Note		
Turnover	2	695	695
Administrative expenses		(332)	(346)
Operating profit		363	349
Interest payable and similar charges	3	(346)	(362)
Profit (loss) on ordinary activities before taxation	4	17	(13)
Tax (charge) credit on profit (loss) on ordinary activities	6	(12)	3
Profit (loss) on ordinary activities after taxation		5	(10)

There are no recognised gains and losses in either year other than the profit for that year and therefore no statement of total recognised gains and losses has been presented. All results for the year arise from discontinued activities (see note 15)

CPW Irlam Limited

Balance sheet

As at 31 March 2014

	Note	31 March 2014 £'000	31 March 2013 £'000
Fixed assets			
Tangible assets	7	8,501	8,826
Current liabilities			
Creditors amounts falling due within one year	8	(8,278)	(8,597)
Net current liabilities		<u>(8,278)</u>	<u>(8,597)</u>
Long term liabilities			
Provisions	9	(320)	(331)
Net liabilities		<u>(97)</u>	<u>(102)</u>
Capital and reserves			
Called-up share capital	10	-	-
Profit and loss account	11	(97)	(102)
Total shareholders' deficit	12	<u>(97)</u>	<u>(102)</u>

For the year ended 31 March 2014 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

Directors' responsibilities

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements of CPW Irlam Limited, registration number 05825842, were approved by the board of directors and authorised for issue on 8 January 2015. They were signed on its behalf by



A Sunderland
Director

CPW Irlam Limited

Notes to the financial statements For the year ended 31 March 2014

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

The company has taken advantage of the exemption under FRS 1 not to prepare a cash flow statement on the grounds that it was a wholly owned subsidiary of Dixons Carphone plc, a company incorporated in Great Britain that prepares consolidated accounts that are publicly available.

Going concern

The company's activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 2.

As set out in note 15 the company sold its commercial property on 17 April 2014 and as a result ceased trading after the balance sheet date. The directors have therefore prepared the financial statements on a basis other than going concern. The company has received commitments from its parent company that it will provide financial support if required to ensure that the company can meet its liabilities as they fall due.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than land, once brought into use at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected life, as follows:

Freehold property	up to 50 years
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Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, 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.

Deferred tax is measured on a non-discounted basis with the tax rates that are expected to apply in the years in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The taxation liabilities of certain group companies are reduced wholly or in part by the surrender or sale of losses by fellow group companies.

CPW Irlam Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

2. Turnover

Turnover comprises rental income which originates in the UK and is wholly attributable to the principal activity of the company and is recognised when earned

3. Interest payable and similar charges

	Year ended 31 March 2014 £'000	Year ended 31 March 2013 £'000
Interest on bank overdrafts	346	362
	<u>346</u>	<u>362</u>

4. Profit (loss) on ordinary activities before taxation

Profit (loss) on ordinary activities before taxation is stated after charging the following

	Year ended 31 March 2014 £'000	Year ended 31 March 2013 £'000
Depreciation of tangible fixed assets	325	324
	<u>325</u>	<u>324</u>

The company was exempt from audit in the current year and hence no audit fee was paid or accrued. Audit fees for the prior year were borne by its parent company. The auditors did not provide any non-audit services to the company during the year (2013 - £nil)

5. Directors' remuneration and employees

The directors did not receive any remuneration in the year for services to the company (2013 - £nil). The company had no employees in either year.

CPW Irlam Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

6. Tax on profit (loss) on ordinary activities

	Year ended 31 March 2014 £'000	Year ended 31 March 2013 £'000
The tax charge comprises		
Current tax		
UK corporation tax charge	(23)	-
Total current tax charge	(23)	-
Deferred tax		
- capital allowances in excess of qualifying depreciation	(32)	(11)
- effect of movement in tax rate	43	14
Total deferred tax credit	11	3
Total tax (charge) credit on profit (loss) on ordinary activities	(12)	3

The differences between the current tax charge of £23,000 (2013 - £nil) and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	Year ended 31 March 2014 £'000	Year ended 31 March 2013 £'000
Profit (loss) on ordinary activities before tax	17	(13)
Tax on profit (loss) on ordinary activities at standard UK corporation tax rate of 23% (2013 - 24%)	4	(3)
Effects of		
- non-qualifying depreciation	74	45
- capital allowances in excess of qualifying depreciation	(37)	(11)
- tax losses utilised within the group	(18)	(31)
Total current tax charge	23	-

The standard rate of corporation tax reduced from 24% to 23% from 1 April 2013 in accordance with the Finance Act 2012. The Finance Act 2013 was substantively enacted on 2 July 2013 and reduced the standard rate of UK corporation tax from 23% to 21% with effect from 1 April 2014, and then to further reduce it to 20% from 1 April 2015.

CPW Irlam Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

7. Tangible fixed assets

	Freehold property £'000
Cost	
At 1 April 2013 and 31 March 2014	<u>9,811</u>
Depreciation	
At 1 April 2013	985
Charge for the year	<u>325</u>
At 31 March 2013	<u>1,310</u>
Net book value	
At 31 March 2014	<u><u>8,501</u></u>
At 31 March 2013	<u><u>8,826</u></u>

CPW Irlam Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

8 Creditors: amounts falling due within one year

	31 March 2014 £'000	31 March 2013 £'000
Bank overdrafts	7,926	8,294
Interest on bank loans and overdrafts	29	30
Amounts due to group undertakings	91	29
Deferred income	174	174
VAT payable	35	70
Corporation tax payable	23	-
	<u>8,278</u>	<u>8,597</u>

Bank accounts are part of a notional pooling mechanism whereby group borrowings are assessed in aggregate against group overdraft limits thus allowing subsidiary companies to borrow on overdraft or to deposit surplus cash via their own bank accounts. Interest is charged on overdrawn balances and paid on surplus cash at base rate plus 3.75% for overdrafts and base rate with no margin for surplus cash balances.

9. Provisions

	Total £'000
At 1 April 2013	331
Amounts credited to the profit and loss account	(11)
At 31 March 2014	<u>320</u>

Provisions solely relate to a deferred tax liability which has been recognised for capital allowances claimed in excess of depreciation charged.

10. Called-up share capital

	31 March 2014 £'000	31 March 2013 £'000
Called up, allotted and fully paid		
2 ordinary shares of £1 each	<u>-</u>	<u>-</u>

CPW Irlam Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

11. Capital and Reserves

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
At 1 April 2013	-	(102)	(102)
Profit for the financial year	-	5	5
At 31 March 2014	-	(97)	(97)

12. Reconciliation of movements in shareholders' deficit

	Year ended 31 March 2014 £'000
Profit for the financial year	5
Net movement in shareholders' deficit	5
Opening shareholders' deficit	(102)
Closing shareholders' deficit	(97)

13 Parent undertaking and controlling party

The immediate and ultimate parent company of CPW Irlam Limited is Dixons Carphone plc, a company incorporated in Great Britain, whose principal place of business is at 1 Portal Way, London, W3 6RS

On 6 August 2014 the Company's ultimate parent, Carphone Warehouse Group plc, completed an all share merger with Dixons Retail plc, one of the leading specialist electrical multi-channel retailing and services groups in Europe, by way of a scheme of arrangement of Dixons Retail plc. Carphone Warehouse Group plc changed its name to Dixons Carphone plc on the same date

The consolidated accounts of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ

CPW Irlam Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

14. Related party transactions

The company has taken advantage of the exemption allowed by FRS 8 not to disclose transactions with 100% group owned companies

During the year, the company had the following disclosable transactions with related parties

	TalkTalk Telecom Group PLC & subsidiaries 2014 £'000	TalkTalk Telecom Group PLC & subsidiaries 2013 £'000
Rental income	695	695

15. Post balance sheet event

On 17 April 2014 the company sold its commercial property for £8.5 million. At 31 March 2014 the property was held at the book value of £8.5 million so there was no profit or loss on disposal. The company has now ceased to trade.