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TNS Distribution (UK) Limited

Directors' report and financial statements

Year ended 31 December 2016

Registered number: 05919298

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TNS Distribution (UK) Limited

Directors' report and financial statements

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TNS Distribution (UK) Limited

Directors and other information

Directors

John McHugh
Ivan Eustace
William Casey (*resigned 4 February 2017*)
Joe Sheehan (*resigned 28 October 2016*)
Bill Hanafin (*resigned 28 October 2016*)
Tom Burke (*appointed 16 May 2017*)

Secretary

Ivan Eustace

Registered office

2nd Floor
15 Worship Street
London
United Kingdom
EC2A 2DT

Independent auditor

KPMG
Chartered Accountants
90 South Mall
Cork
Ireland

Bankers

Bank of Ireland (UK)
Berkeley Square London
Croydon
CR9 2SB
England

Ulster Bank
PO Box 232
Belfast City Office
BT1 5UB

Solicitors

LK Shields
40 Upper Mount Street
Dublin 2
Ireland

TNS Distribution (UK) Limited

Strategic report

The directors present their strategic report for the year ended 31 December 2016 for TNS Distribution (UK) Limited (the "Company").

Principal activities, business review and future developments

The principal activity of the Company was the wholesale distribution of consumer electronics and accessories which ceased during April 2013.

Principal risks and uncertainties

The principal risks and uncertainties are economic risk, financial risk and credit risk.

These risks are managed across the Company through appropriate financial and cash management and control of business costs.

Economic risk

- The risk of adverse exchange rate movements.

Financial risk

- The Company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

Credit risk

- The Company's policies require that all outstanding debtors to be monitored closely.

The Company has a successful track record of managing these risks. The directors are confident that they are capable of dealing with the above issues as they arise.

TNS Distribution (UK) Limited

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2016 for TNS Distribution (UK) Limited (the "Company").

Results and dividends

The profit for the year amounted to £3,000 (2015: £2,000).

No dividends or transfers to reserves are recommended by the directors.

Directors and secretary

The following directors and secretary held office through the year and the subsequent period to date:

Ivan Eustace (Secretary and Director)
John McHugh (Director)
William Casey (Director) (*resigned 4 February 2017*)
Joe Sheehan (Director) (*resigned 28 October 2016*)
Bill Hanafin (Director) (*resigned 28 October 2016*)
Tom Burke (Director) (*appointed 16 May 2017*)

Political and charitable donations

During the year the Company made no political or charitable donations (2015: £Nil).

Events after the reporting period

TNS Distribution (UK) Limited is a wholly owned subsidiary of TNS Distribution Limited as at 31 December 2016. Subsequent to year end, TNS Distribution Limited was acquired by CMS Distribution Limited resulting in a change of Group ownership. TNS Distribution (UK) Limited was subsequently sold by TNS Distribution Limited to CMS Distribution (UK) Limited on 1 July 2017 and became a wholly owned subsidiary of CMS Distribution Limited. It is the intentions of the directors to dissolve the company within the foreseeable future. Accordingly these financial statements have been prepared on a wind-up basis of accounting.

Policy and practice on payment of creditors

The Company follows the policy and practice on payment of creditors determined as outlined below:

The Company is committed to maintaining a sound commercial relationship with its suppliers. Consequently, it is the Company's policy to negotiate and agree terms and conditions with its suppliers, which include the giving of an undertaking to pay suppliers within 30 to 60 days of receipt of a correctly prepared invoice submitted in accordance with the terms of the contract or such other period as, may be agreed.

Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each 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 that the Company's auditors are aware of that information.

TNS Distribution (UK) Limited

Directors' report (*continued*)

Other Information

An indication of likely future developments in the business have been included in the strategic report on page 2.

Auditor

In accordance with Section 487 of the Companies Act, 2006, the auditor, KPMG, Chartered Accountants will be deemed to be reappointed and KPMG will therefore continue in office, until the company is struck off.

By order of the board



Tom Burke
Director

2nd Floor,
15 Worship Street
London,
United Kingdom,
EC2A 2DT

Date: 16/11/2017

TNS Distribution (UK) Limited

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 year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 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. As explained in note 1 of the notes forming part of the financial statements, the directors do not believe it is appropriate to prepare these financial statements on a going concern basis.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



Tom Burke
Director

16/4/2019



KPMG
Audit
90 South Mall
Cork
T12 KXV9
Ireland

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

We have audited the financial statements of TNS Distribution (UK) Limited for the year ended 31 December 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash-flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

2 Our opinion on the financial statements is accompanied by an emphasis of matter - going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure in note 1 to the financial statements which explains that the financial statements are no longer prepared on a going concern basis for the reason set out in that note.

3 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the strategic report and director's report;

- we have not identified material misstatements in these reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006

4 We have nothing to report in respect of matters on which we are required to report by exception

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required to report to you, 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.

We have nothing to report in respect of the above responsibilities.



KPMG
Audit
90 South Mall
Cork
T12 KXV9
Ireland

Independent auditor's report to the members of TNS Distribution (UK) Limited (*continued*)

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) 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 Annual Report 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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

This report is made solely to the Company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Barrie O'Connell (Senior Statutory Auditor)
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
90 South Mall
Cork
Date:

16 November 2017

TNS Distribution (UK) Limited

Statement of comprehensive income for the year ended 31 December 2016

		Year ended 31 December 2016 £'000	Year ended 30 December 2015 £'000
	<i>Notes</i>		
Operating revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative and other expenses		(405)	(307)
Other operating income		488	310
Operating profit		83	2
Finance expense	4	(77)	-
Profit before taxation	4	5	3
Tax charge on profit on ordinary activities	6	(2)	(1)
Profit for the financial year		3	2
Total comprehensive income in the year		3	2

All activities derive from discontinued operations.

The notes on pages 12 to 27 are an integral part of these financial statements.

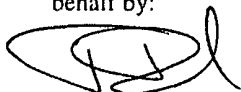
TNS Distribution (UK) Limited

Statement of financial position at 31 December 2016

	Notes	31 December 2016 £'000	30 December 2015 £'000
Non current assets			
Property, plant and equipment	7	-	-
Total non current assets		-	-
Current assets			
Trade and other receivables	8	1,461	980
Cash and cash equivalents	9	11	10
Total current assets		1,472	990
Total assets		1,472	990
Equity			
Issued capital	10	-	-
Retained earnings		(526)	(529)
Total equity		(526)	(529)
Current liabilities			
Trade and other payables	11	1,997	1,519
Current Tax		1	-
Total current liabilities		1,998	1,519
Total liabilities		1,998	1,519
Total shareholders' equity and liabilities		1,472	990

The notes on pages 12 to 27 are an integral part of these financial statements.

These financial statements were approved by the board of directors on 16/11/2017 and were signed on its behalf by:



Tom Burke
Director
Company registered number: 05919298

TNS Distribution (UK) Limited

Statement of changes in equity at 31 December 2016

	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2015	-	(531)	(531)
<i>Comprehensive income:</i>			
Net profit	-	2	2
	<hr/>	<hr/>	<hr/>
Balance at 30 December 2015	-	(529)	(529)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	-	(529)	(529)
<i>Comprehensive income:</i>			
Net profit	-	3	3
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	-	(526)	(526)
	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 27 are an integral part of these financial statements.

TNS Distribution (UK) Limited

Statement of cash flows

for the year ended 31 December 2016

	<i>Notes</i>	Year ended 31 December 2016 £'000	Year ended 30 December 2015 £'000
Profit for the year		3	2
Adjustments to reconcile net profit to net cash from operating activities:			
Depreciation		-	1
Tax expense		2	1
		<hr/>	<hr/>
Net cash provided by operations before changes in working capital		5	4
Increase in trade and other receivables		(481)	(328)
Increase in current trade and other payables		478	333
		<hr/>	<hr/>
Cash from operating activities		2	9
Taxes paid		(1)	(4)
		<hr/>	<hr/>
Net cash from operating activities		1	5
		<hr/>	<hr/>
Net increase in cash and cash equivalents		1	5
Cash and cash equivalents at start of year		10	5
		<hr/>	<hr/>
Cash and cash equivalents at end of year	9	11	10
		<hr/>	<hr/>

The notes on pages 12 to 27 are an integral part of these financial statements.

TNS Distribution (UK) Limited

Notes

forming part of the financial statements

1 Going Concern

TNS Distribution (UK) Limited is a wholly owned subsidiary of TNS Distribution Limited as at 31 December 2016. Subsequent to year end, TNS Distribution Limited was acquired by CMS Distribution Limited resulting in a change of Group ownership. TNS Distribution (UK) Limited was subsequently sold by TNS Distribution Limited to CMS Distribution (UK) Limited on 1 July 2017 and became a wholly owned subsidiary of CMS Distribution Limited. It is the intentions of the directors to dissolve the company within the foreseeable future.

Accordingly these financial statements have been prepared on a wind-up basis of accounting. The cost of wind-up will be borne by CMS Distribution Limited.

The comparatives relating to the year ended 30 December 2015 have been prepared on a going concern basis as the financial statements relating to that year had been approved and finalised before the intention to wind-up was taken.

2 Basis of preparation

(a) Reporting entity

TNS Distribution (UK) Limited (the "Company") is a Company incorporated and domiciled in the United Kingdom. The address of the Company's registered office is 2nd Floor, Worship Street, London, United Kingdom, EC2A 2DT. The financial statements of the Company for the year ended 31 December 2016 are single entity financial statements and comprise of the Company's statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and related notes. The principal activity of the Company was the wholesale distribution of consumer electronics and accessories which ceased during April 2013.

(b) Statement of compliance and going concern

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU on the basis of IFRS's in issue that are effective at the reporting date 31 December 2016.

The financial statements were authorised for issue by the Board of Directors on

(c) Basis of measurement

The financial statements are prepared on a historical cost basis.

(d) Functional and presentation currency

The financial statements are presented in Pounds Sterling. Pound Sterling is the Company's functional and presentation currency.

TNS Distribution (UK) Limited

Notes (*continued*)

2 Basis of preparation (*continued*)

(e) Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty are as follows:

(i) Impairment losses – Trade and other receivables

Impairment losses for trade and other receivables are assessed and provided for based on management's regular review of aging analysis and evaluation of collectability. A considerable level of judgement is exercised by management when assessing the credit worthiness and past collection history of each individual customer. Any increase or decrease in the impairment losses for bad and doubtful debts would affect the income statement in future years.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

(a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated to allocate the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

Plant and Equipment	-	5 years
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Both the useful life of an asset and its residual value, if any, are reviewed annually.

Where parts of an item of plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately.

TNS Distribution (UK) Limited

Notes (*continued*)

3 Significant accounting policies (*continued*)

(a) Property, plant and equipment (*continued*)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

(b) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts, except where the effect of discounting would be immaterial. In such cases, the receivables are recognised at cost and subsequently stated at cost less allowance for impairment of receivables.

Impairment losses for doubtful debts are recognised when there is objective evidence of impairment and are measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the asset's original effective interest rate where the effect of discounting is material. Objective evidence of impairment includes observable data that comes to the attention of the Company about events that have an impact on the asset's estimated future cash flows such as significant financial difficulty of the debtor.

Impairment losses for trade receivables included within trade and other receivables whose recovery is considered doubtful but not remote are recorded using an allowance account. When the Company is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(c) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are recognised at cost.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(e) Employee benefits

(i) Short term employee benefits

Salaries, wages, annual bonuses and staff welfare are accrued in the year in which the associated services are rendered by employees of the Company.

(ii) Termination benefits

Termination benefits are recognised when, and only when, the Company demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan from which there is no realistic possibility of withdrawal.

TNS Distribution (UK) Limited

Notes *(continued)*

3 Significant accounting policies *(continued)*

(f) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of each reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. All deferred tax liabilities and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of each reporting period.

(g) Translation of foreign currencies

Foreign currency transactions during the period are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of each reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

(h) Related parties

For the purposes of the Financial Information, a related party is a person or entity that is related to the Company.

(i) *A person or a close member of that person's family is related to the Company if:*

- (a) that person has control or joint control over the Company;
- (b) that person has significant influence over the Company; or
- (c) that person is a member of the key management personnel of the Company or of a parent of the Company.

(ii) *An entity is related to the Company if any of the following conditions applies:*

- (a) the entity and the Company are members of the same group;
- (b) the entity is an associate or joint venture of the Company or the Company is an associate or joint venture of the entity or of a member of a group of which the entity is a member;
- (c) the entity and the Company are joint ventures of the same third party;
- (d) the entity is a joint venture of a third entity and the Company is an associate of the same third entity, or vice versa;

TNS Distribution (UK) Limited

Notes (*continued*)

3 Significant accounting policies (*continued*)

(h) Related parties (*continued*)

- (e) the entity is a post-employment plan for the benefit of employees of either the Company or an entity related to the Company;
- (f) the entity is controlled or jointly-controlled by a person identified in (i); or
- (g) a person identified in (i) (a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(i) Recent accounting pronouncements

The accounting policies adopted in the current year are consistent with those of the previous year except for the following new and amended IFRSs and International Financial Reporting Interpretations Committee (IFRIC) Interpretations adopted by the Company as of 1 January 2016 that are effective for the Company's financial year ending 31 December 2016 and had no significant impact on the results of the Company for the year ended 31 December 2016 as set out below:

- Amendments to IAS 1 - *Disclosure Initiative*. This amendment has made narrow scope changes to IAS 1. This amendment has no significant impact on the Company's financial statements.
- Annual Improvements to IFRSs 2012-2014 Cycle. As part of its annual improvements process, the IASB has published non-urgent but necessary amendments to IFRS.
- Amendments to IAS 16 - *Property, Plant & Equipment* and IAS 38 - *Intangible Assets*. The objective of these amendments is to clarify the acceptable basis for recognising depreciation and amortisation. This amendment has no significant impact on the Company's financial statements.

The IASB and IFRIC have issued the following Standards and Interpretations that are not yet effective for the Company;

- Amendments to IAS 7: *Disclosure Initiative*. The amendments to IAS 7 require entities to provide disclosures that enable users to evaluate changes in liabilities arising from financing activities. This amendment is effective 1 January 2017 (early adoption permitted).
- Annual Improvements to IFRS 2014 -2016 Cycle. As part of its annual improvements process, the IASB has published non-urgent but necessary amendments to IFRS. This amendment is effective for accounting periods beginning on or after 1 January 2018 for IASB IFRS.
- IFRIC Interpretation 22: *Foreign Currency Transactions and Advance Consideration*. IFRIC 22 provides requirements about which exchange rates to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. This amendment is effective for accounting periods beginning on or after 1 January 2018 for IASB IFRS.

These amendments are not expected to have a significant impact on the Company's financial statement.

Other new standards, amendments and interpretations, which have been currently issued, are either not expected to have a material effect on the financial statements or they are not currently relevant for the Company.

TNS Distribution (UK) Limited

Notes (*continued*)

4 Profit before income tax

(a) Staff costs

	Year ended 31 December 2016 £'000	Year ended 30 December 2015 £'000
Wages and salaries	274	271
Bonus payments	70	4
Social welfare costs	27	27
	<u>371</u>	<u>302</u>

(b) Staff numbers

The average number of employees during the year was as follows:

	Year ended 31 December 2016	Year ended 30 December 2015
Sales	<u>5</u>	<u>5</u>

(c) Finance Expense

	Year ended 31 December 2016 £'000	Year ended 30 December 2015 £'000
Foreign exchange loss	<u>77</u>	<u>-</u>
	<u>77</u>	<u>-</u>

5 Statutory and other information

(a) Auditor's remuneration

	Year ended 31 December 2016 £'000	Year ended 30 December 2015 £'000
<i>Auditor's remuneration:</i>		
Audit of these financial statements	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

The auditor's remuneration of £2,000 (2015:£2,000) is the fee attributable to TNS Distribution (UK) Limited.

TNS Distribution (UK) Limited

Notes (continued)

5 Statutory and other information (continued)

(b) Director's remuneration

	Year ended 31 December 2016 £'000	Year ended 30 December 2015 £'000
<i>Director's remuneration:</i>		
Emoluments	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

Directors' and auditors' remuneration is borne by the parent company as at 31 December 2016, TNS Distribution Limited.

6 Income tax expense

	Year ended 31 December 2016 £'000	Year ended 30 December 2015 £'000
The current tax expense comprises:		
Current tax	1	1
Adjustment in respect of previous periods	1	-
	<hr/>	<hr/>
Total income tax expense in income statement	2	1
	<hr/>	<hr/>

Reconciliation of effective tax rate

The difference between the total income tax expense shown above and the amount calculated by applying the standard rate of UK corporation tax is as follows:

	Year ended 31 December 2016 £'000	Year ended 30 December 2015 £'000
Profit before taxation	5	3
	<hr/>	<hr/>
Tax on profit on ordinary activities at standard rate of 20% (2015: 20%)	1	1
<i>Effects of:</i>		
Capital allowances in excess of depreciation	-	1
Loss carried forward	-	(2)
Adjustment in respect of previous periods	1	1
	<hr/>	<hr/>
Total income tax expense for the year	2	1
	<hr/>	<hr/>

Reduction in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) was substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the Company's future current tax charge accordingly.

TNS Distribution (UK) Limited

Notes (*continued*)

7 Property, plant and equipment

	Plant & equipment £'000	Total £'000
<i>Cost</i>		
At 30 December 2015	18	18
	<hr/>	<hr/>
At 31 December 2016	18	18
	<hr/>	<hr/>
<i>Accumulated depreciation</i>		
At 30 December 2015	(18)	(18)
Charge for year	-	-
	<hr/>	<hr/>
At 31 December 2016	(18)	(18)
	<hr/>	<hr/>
<i>Net book value</i>		
At 31 December 2016	-	-
	<hr/>	<hr/>
At 30 December 2015	-	-
	<hr/>	<hr/>

The Company had no capital commitments at 31 December 2016.

In the opinion of the directors, the carrying value of plant and equipment is appropriate.

TNS Distribution (UK) Limited

Notes (continued)

8 Trade and other receivables

	31 December 2016 £'000	30 December 2015 £'000
Prepayment	-	12
Trade receivables from parent company (TNS Distribution Limited)	1,076	583
Non trade receivables from parent company (TNS Distribution Limited)	382	382
Taxation and social welfare	3	3
	<u>1,461</u>	<u>980</u>

Non trade receivable from the parent company is unsecured, interest free and payable on demand.

Taxation and social welfare

Amount included in taxation and social welfare are made up as follows

	31 December 2016 £'000	30 December 2015 £'000
VAT	3	2
PAYE	-	1
	<u>3</u>	<u>3</u>

9 Cash and cash equivalents

	31 December 2016 £'000	30 December 2015 £'000
Bank current account	11	10
	<u>11</u>	<u>10</u>

TNS Distribution (UK) Limited

Notes (continued)

10 Called up share capital

	31 December 2016 £	30 December 2015 £
<i>Authorised</i>		
1,000 ordinary shares of £1.00 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid equity</i>		
2 Ordinary shares of £1.00 each	2	2
	<hr/>	<hr/>
Shares included in equity	2	2
	<hr/>	<hr/>

11 Current trade and other payables

	31 December 2016 £'000	30 December 2015 £'000
Trade payables to parent company (TNS Distribution Limited)	1,658	1,234
Non trade payables to parent company (TNS Distribution Limited)	273	274
Accruals	63	10
Other payables	-	1
PAYE	3	-
	<hr/>	<hr/>
	1,997	1,519
	<hr/>	<hr/>

Non trade payable to the parent company is unsecured, interest free and payable on demand.

12 Financial risk management and fair value

Exposure to credit, liquidity, interest rate and currency risks arise in the normal course of the Company's business. The Company's exposure to these risks and the financial risk management policies and practices used by the Company to manage these risks are described below.

(a) Credit risk

The Company's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount.

In respect of cash and cash equivalents the Company maintains cash balances with Bank of Ireland.

TNS Distribution (UK) Limited

Notes (continued)

12 Financial risk management and fair value (continued)

(b) Credit risk (continued)

Other exposure to credit risk is monitored on an ongoing basis. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 December 2016 £'000	30 December 2015 £'000
Prepayment	-	12
Trade receivables from parent company	1,076	583
Non trade receivables from parent company	382	382
Taxation and social welfare	3	3
Cash and cash equivalents	11	10
	<u>1,472</u>	<u>990</u>

(b) Liquidity risk

The Company's policy is to regularly monitor its liquidity requirements, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from financial institutions to meet its liquidity requirements.

The following table details the remaining contractual maturities at the end of each year of the Company's financial liabilities, which are based on contractual undiscounted cashflows (including interest payments computed using contractual rates, or if floating based on rates current at the end of each year) and the earliest date the Company can be required to pay:

At 31 December 2016

	Within 1 year or on demand £'000	More than 1 year but less than 2 years £'000	More than 2 years but less than 5 years £'000	More than 5 years £'000	Total £'000	Carrying amount at 31 December 2016 £'000
Trade and other payables	1,997	-	-	-	1,997	1,997
Total	<u>1,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,997</u>	<u>1,997</u>

TNS Distribution (UK) Limited

Notes (continued)

12 Financial risk management and fair value (continued)

(b) Liquidity risk (continued)

At 30 December 2015

	Within 1 year or on demand £'000	More than 1 year but less than 2 years £'000	More than 2 years but less than 5 years £'000	More than 5 years £'000	Total £'000	Carrying amount at 30 December 2015 £'000
Trade and other payables	1,519	-	-	-	1,519	1,519
Total	<u>1,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,519</u>	<u>1,519</u>

(c) Interest rate risk

The Company is exposed to interest rate fluctuations in respect of interest earned on its cash deposits.

(d) Foreign currency risk

The Company actively manages its foreign exchange exposures to reduce the exchange rate volatility on its results of operations. The Company closely monitor expected Euro cash flows to identify net exposures and, if considered appropriate, manage this exposure on an ongoing basis to reduce this risk.

(e) Exposure to currency risk

The following table details the Company's exposure at the year end date to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the operations to which they relate.

	Exposure to foreign currencies (expressed in STG) EURO £'000
31 December 2016	
Non trade and other receivables from parent company	18
Trade and other payables to parent company	(570)
Non trade and other payables to parent company	(376)
	<hr/>
Exposures arising from recognised assets and liabilities	(928)
	<hr/>

TNS Distribution (UK) Limited

Notes (*continued*)

12 Financial risk management and fair value (*continued*)

(e) Exposure to currency risk (*continued*)

	Exposure to foreign currencies (expressed in STG)
	EURO £'000
30 December 2015	
Non trade and other receivables from parent company	18
Trade and other payables to parent company	(492)
Non trade and other payables to parent company	(868)
	<hr/>
	(1,342)
Exposures arising from recognised assets and liabilities	<hr/>

(i) Sensitivity analysis

A 10% weakening of the STG against the Euro at the end of the year would have increased/(decreased) shareholders' equity and net profit by the amounts shown in the table below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	EURO £'000
31 December 2016	
Effect on shareholders' equity	(103)
Effect on net profit	(103)
	<hr/>
30 December 2015	
Effect on shareholders' equity	(149)
Effect on net profit	(149)
	<hr/>

TNS Distribution (UK) Limited

Notes (continued)

12 Financial risk management and fair value (continued)

(f) Fair values

Fair value is the amount at which a financial instrument could be exchanged in an arms-length transaction between informed and willing parties, other than in a forced or liquidation sale. The contractual amounts payable less impairment provision of trade receivables and payables are assumed to approximate their fair values.

The carrying value and fair value of the Company's financial assets by category were as follows:

	Loans and receivables £'000	Total carrying value £'000	Fair Value £'000
At 31 December 2016			
Cash and cash equivalents	11	11	11
Trade receivables from parent company	1,076	1,076	1,076
Non trade receivables from parent company	382	382	382
Taxation and social welfare	3	3	3
	<hr/>	<hr/>	<hr/>
Total financial assets at 31 December 2016	1,472	1,472	1,472
	<hr/>	<hr/>	<hr/>
	Loans and receivables £'000	Total carrying value £'000	Fair Value £'000
At 30 December 2015			
Cash and cash equivalents	10	10	10
Prepayment	12	12	12
Trade receivables from parent company	583	583	583
Non trade receivables from parent company	382	382	382
Taxation and social welfare	3	3	3
	<hr/>	<hr/>	<hr/>
Total financial assets at 30 December 2015	990	990	990
	<hr/>	<hr/>	<hr/>

TNS Distribution (UK) Limited

Notes (*continued*)

12 Financial risk management and fair value (*continued*)

(f) Fair values (*continued*)

The carrying value and fair value of the Company's financial liabilities were as follows:

	Carrying value £'000	Fair value £'000
At 31 December 2016		
Trade and other payables	1,997	1,997
	<hr/>	<hr/>
Total financial liabilities at 31 December 2016	1,997	1,997
	<hr/>	<hr/>

	Carrying value £'000	Fair value £'000
At 30 December 2015		
Trade and other payables	1,519	1,519
	<hr/>	<hr/>
Total financial liabilities at 30 December 2015	1,519	1,519
	<hr/>	<hr/>

13 Capital commitments and contingencies

(a) Capital commitments

The Company had no capital commitments.

(b) Contingencies

The Company has no contingent liabilities.

14 Related party transactions

(a) Identity of related parties

The Company is a 100% subsidiary of TNS Distribution Limited as at 31 December 2016, a company incorporated and registered in Ireland, of which the ultimate parent company is PCH International Holdings (a Cayman island registered company). There was a change in Group ownership subsequent to year end as set out in note 16.

TNS Distribution (UK) Limited

Notes (*continued*)

14 Related party transactions (*continued*)

(b) Transactions with group entities

TNS Distribution Limited

Trade payables due to TNS Distribution Limited of £1,658,000 were outstanding at 31 December 2016 (2015: £1,234,000). Trade receivables of £1,076,000 due from TNS Distribution Limited were outstanding at 31 December 2016 (2015: £583,000). Non trade receivables of £382,000 due from TNS Distribution Limited were outstanding as at 31 December 2016 (2015: £382,000). Non trade payables of £273,000 due to TNS Distribution Limited were outstanding as at 31 December 2016 (2015: £274,000).

(c) Key management compensation

Full disclosure of the compensation payable to the Board of Directors is contained in note 5.

15 Group Membership

The Company is a 100% subsidiary of TNS Distribution Limited as at 31 December 2016, a company incorporated and registered in Ireland, of which the ultimate parent undertaking is PCH International Holdings, a company incorporated and registered in Cayman. The financial statements of the Company are included in the consolidated financial statements of PCH International Holdings. The consolidated financial statements of PCH International Holdings are available and may be obtained from Walker House, 87 Mary Street, George Town, Grand Cayman, KY1-9005, Cayman Islands respectively. There was a change in Group ownership subsequent to year end as set out in note 16.

16 Events after the reporting period

TNS Distribution (UK) Limited is a wholly owned subsidiary of TNS Distribution Limited as at 31 December 2016. Subsequent to year end, TNS Distribution Limited was acquired by CMS Distribution Limited resulting in a change of Group ownership. TNS Distribution (UK) Limited was subsequently sold by TNS Distribution Limited to CMS Distribution (UK) Limited on 1 July 2017 and became a wholly owned subsidiary of CMS Distribution Limited. It is the intentions of the directors to dissolve the company within the foreseeable future. Accordingly these financial statements have been prepared on a wind-up basis of accounting.

17 Approval of financial statements

The directors approved the financial statements on

16/11/2017