

Registered Number 6165501

CPL France Limited (formerly known as
Broomco (4077) Limited)
Annual report
for the year ended 31 March 2017

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CPL France Limited (formerly known as Broomco (4077) Limited)

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CPL France Limited (formerly known as Broomco (4077) Limited)

Directors and advisers for the year ended 31 March 2017

Directors

T W Minett
D Wake
P Scott
D Morgan
J Sutton

Company secretary and registered office

S Armitage
Westthorpe Fields Road
Killamarsh
Sheffield
S21 1TZ

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 St. Paul's Place
121 Norfolk Street
Sheffield
S1 2LE

Solicitors

DLA Piper UK LLP
1 St Paul's Place
121 Norfolk Street
Sheffield
S1 2JX

Bankers

Lloyds Bank plc
14 Church Street
Sheffield
S1 1HP

CPL France Limited (formerly known as Broomco (4077) Limited)

Strategic report for the year ended 31 March 2017

The directors present the strategic report for the year ended 31 March 2017.

Review of business and future developments

The profit and loss account for the year is set out on page 9.

The company was dormant until 15 February 2017, when it purchased certain trade and assets of Groupe Lamy for total consideration of £2,603,000. Loss before taxation was £23,000 (2016: nil). Both the level of business and the year end financial position are considered satisfactory. The group is managed and the strategy set at a group level rather than at an individual business unit level, therefore review of the business, future developments and consideration of KPI's are included in the financial statements of CPL Industries Group Limited.

Principle risks and uncertainties

The key risks affecting the company are:

As most of the company's sales are weather sensitive, leading to unpredictable demand, the company requires a flexible operating structure. Achieving this flexibility is constantly under review to ensure the company can take maximum benefit from favourable weather conditions and minimise the impact of adverse weather conditions.

The company is subject to volatility of price and availability from global markets for its main raw material and energy requirements. These risks are managed through flexible sourcing and securing supply contracts.

Financial key performance indicators

The directors of CPL Industries Group Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that an analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of CPL France Limited (formerly known as Broomco (4077) Limited). The development, performance and position of the company are discussed on page 2 of the group's annual report, which does not form part of this report.

Employment policies

The policy of the directors is to encourage the involvement of all employees in the development and performance of the company. All employees receive notification of important developments, acquisitions and other matters of interest.

The company pursues a policy of providing, wherever possible, the same employment opportunities to disabled persons as to others, having regard to the aptitudes and abilities of each applicant. Efforts are made to enable employees who become disabled during their employment to continue their careers with the company. Training, career development and promotion of disabled persons is, as far as possible, identical to that of other employees who are not disabled. The company recognises the high standards required to ensure the health, safety and welfare of its employees at work, its customers and the general public. The policies in this regard are regularly reviewed with the objective of ensuring these standards are maintained.

CPL France Limited (formerly known as Broomco (4077) Limited)

Strategic report

for the year ended 31 March 2017 continued

Financial risk management

Details of the company's financial risk management policies are noted in the ultimate parent company's financial statements.

Approved and signed on behalf of the board



D Wake

Director

1 September 2017

CPL France Limited (formerly known as Broomco (4077) Limited)

Directors' report for the year ended 31 March 2017

The directors present their annual report and the audited financial statements of the company for the year ended 31 March 2017.

Name change

The company changed its name to CPL France Limited from Broomco (4077) Limited on 29 December 2016.

Principal activities

Throughout the prior year and up to 15 February 2017 the company was dormant. On 15 February 2017, the principal activity of the company became the distribution of solid fuel.

Dividends

No interim dividend was declared during the financial year (2016: £nil). The directors do not recommend the payment of a final dividend (2016: £nil).

Directors

The directors of the company who served during the year and up to the date of signing the financial statements are listed below:

T W Minett

D Wake

P Scott (appointed 13 December 2016)

D Morgan (appointed 13 December 2016)

J Sutton (appointed 13 December 2016)

In accordance with the Articles of Association, there is no requirement for directors to retire by rotation.

Future developments

Details regarding the future developments within the company are disclosed within the Strategic Report.

Financial risk management

Details of the company's financial risk management policies are noted in the financial statements of CPL Industries Group Limited.

Financial instruments

Exposure to price, credit, liquidity and cash flow risk:

Price risk arises on financial instruments because of changes in, for example, commodity prices or equity prices. The company's investments are held at net asset value and are therefore not exposed to price risk.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that deferred payment terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the company debtors are shown in Note 10 to the financial statements.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company manages liquidity risk via revolving credit facilities and long term debt.

CPL France Limited (formerly known as Broomco (4077) Limited)

Directors' report for the year ended 31 March 2017 continued

Financial instruments continued

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised or liability such as future interest payments on variable rate debt or future transactions in foreign currencies. The company manages these risks, where significant, by use of derivatives as explained above.


Independent auditors and disclosure of information to auditors

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Relevant information is defined as information needed by the company's auditors in connection with preparing their report. Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that he ought to have taken in his duty 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.

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the next general meeting.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



**D Wake
Director
1 September 2017**

CPL France Limited (formerly known as Broomco (4077) Limited)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 Companies Act 2006.

The directors 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.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the 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.

On behalf of the board



**D Wake
Director
1 September 2017**

CPL France Limited (formerly known as Broomco (4077) Limited)

Independent auditors' report to the members of CPL France Limited (formerly known as Broomco (4077) Limited)

Report on the financial statements

Our opinion

In our opinion, CPL France Limited (formerly known as Broomco (4077) Limited)'s financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss for the year 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

The financial statements, included within the Annual report (the "Annual Report"), comprise:

- the Balance sheet as at 31 March 2017;
- the Profit and loss account for the year then ended;
- the Statement of changes in equity for the year 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 United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (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.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic Report and the Directors' report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' report. We have nothing to report in this respect.

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.

CPL France Limited (formerly known as Broomco (4077) Limited)

Independent auditors' report to the members of CPL France Limited (formerly known as Broomco (4077) Limited) (continued)

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 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) ("ISAs (UK & 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & 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 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. With respect to the Strategic Report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Andy Ward (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Sheffield
1 September 2017

CPL France Limited (formerly known as Broomco (4077) Limited)

**Profit and loss account
for the year ended 31 March 2017**

	Note	2017 £'000	2016 £'000
Turnover	3	246	-
Operating expenses	4	(269)	-
Loss before taxation		(23)	-
Tax on (loss)/result	7	-	-
(Loss)/result for the financial year		(23)	-

All items dealt with in arriving at operating loss relate to continuing activities.

There is no material difference between the loss before taxation and the loss for the financial year stated above, and their historical cost equivalents.

The company has no recognised gains and losses other than the loss above and therefore no separate statement of total recognised gains and losses has been presented.

CPL France Limited (formerly known as Broomco (4077) Limited)

**Balance sheet
as at 31 March 2017**

	Note	2017 £'000	2016 £'000
Fixed assets			
Intangible assets	8	898	-
		898	-
Current assets			
Inventories	9	1,466	-
Debtors	10	496	250
Cash at bank and in hand		52	-
		2,014	250
Creditors: amounts falling due within one year	11	(2,685)	-
Net current (liabilities)/assets		(671)	250
Total assets less current liabilities		227	250
Net assets			
		227	250
Capital and reserves			
Called up share capital	13	1	1
Share premium account		249	249
Profit and loss account		(23)	-
Total shareholders' funds		227	250

The financial statements on pages 9 to 25 were approved by the board of directors on 1 September 2017 and were signed on its behalf by:



**D Wake
Director**

CPL France Limited (formerly known as Broomco (4077) Limited)
Registered number: 6165501

CPL France Limited (formerly known as Broomco (4077) Limited)

**Statement of changes in equity
for the year ended 31 March 2017**

	Called up share capital	Share premium account	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000
Balance at 1 April 2015	1	249	-	250
Result for the financial year	-	-	-	-
Balance at 31 March 2016	1	249	-	250
<hr/>				
Balance at 1 April 2016	1	249	-	250
Loss for the financial year	-	-	(23)	(23)
Balance at 31 March 2017	1	249	(23)	227

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017

1 Accounting Policies

Statement of compliance

The financial statements of CPL France Limited (formerly known as Broomco (4077) Limited) have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The company is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Westthorpe Fields Road, Killamarsh, Sheffield, S21 1TZ.

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 March 2016 which were dormant accounts. The date of transition to FRS 102 was 1 April 2014. There were no changes in accounting policies which would cause a difference between profit for the financial years ended 31 March 2015 and 31 March 2016 and the total equity as at 1 April 2014, 31 March 2015 and 31 March 2016 between UK GAAP as previously reported and FRS 102.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities at fair value and are prepared in sterling which is the presentational currency of the company, rounded to the nearest £1,000.

The principal accounting policies, which have been applied consistently throughout the year, are set out below:

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemptions:

- i. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the cash flows of the company are included in the consolidated group cash flow statement of CPL Industries Group Limited;
- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- iii. from disclosing the company key management personnel compensation as required by FRS 102 paragraph 33.7.

Business combinations and goodwill

Goodwill recognised represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill is capitalised within intangible assets and is eliminated by amortisation through the profit and loss account over its useful economic life (being the period over which the directors have assessed for each acquisition that benefits can be expected). Where the company is unable to make a reliable estimate of its useful life, goodwill is amortised over a period not exceeding ten years.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

1 Accounting Policies continued

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company and value added taxes. Revenue from product sales is recognised upon despatch to the customer or, in the case of goods supplied ex-works, upon collection by the customer or agent.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably and (d) it is probable that future economic benefits will flow to the entity.

Dividends

Dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final dividends are recognised when approved by the shareholders.

Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is recognised.

Defined contribution pension plan

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company personal pension plan arrangement.

Annual bonus plans

The company operates a number of annual bonus plans for employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

Other employee benefits

The company provides other post retirement benefits to its employees in the form of concessionary fuels. The provision is calculated as the future cost of providing concessionary fuels on retirement to all eligible current and former employees net of taxation amounts recoverable. The provision is discounted over the average expected period of providing the benefit.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

1 Accounting Policies continued

Deferred taxation

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Inventories - finished goods and goods for resale

Finished goods and goods for resale are valued at the lower of the cost at the time of production or the cost of purchase, and the net realisable value, at the balance sheet date. In the case of manufactured products, cost includes all direct expenditure and production. To arrive at net realisable value, undistributed stocks of manufactured fuels are valued at current net selling price less specific provisions for loss of weight or degradation in size and quality.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account.

Foreign currencies

Functional and presentation currency

The company's functional currency is the euro, these financial statements are presented in pound sterling and rounded to thousands.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

1 Accounting Policies continued

Foreign currencies continued

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance (expense)/income'. All other foreign exchange gains and losses are presented in the profit and loss within 'Operating costs'.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derivatives, including foreign exchange contracts and interest rate swaps, are not basic financial instruments.

Derivatives are initially recorded at fair value on the date a derivative contract is entered into and are subsequently measured at fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

1 Accounting Policies continued

Financial instruments continued

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Hedging arrangements

The company applies hedge accounting in respect of forward foreign exchange contracts held to manage the cash flow exposures of forecast transactions denominated in foreign currencies.

The company also applies hedge accounting for transactions entered into to manage the cash flow exposure of borrowings. Interest rate swaps are held to manage the interest rate exposures and are designated as cash flow hedges of floating rate borrowings

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in equity. Any ineffectiveness in the hedging relationship (being the excess of the cumulative change in fair value of the hedging instrument since inception of the hedge) is recognised in the income statement.

The gain or loss recognised in other comprehensive income is reclassified to the income statement when the hedge relationship ends. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer probable, the hedged debt instrument is derecognised or the hedging instrument is terminated.

Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, evenly over the economic useful life of the asset. The principal annual rates used for this purpose are:

Freehold buildings	50 years straight line basis
Plant and machinery	3 - 10 years straight line basis

Finance costs are not capitalised.

Freehold land is not depreciated.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

1 Accounting Policies continued

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event and it is probable that a transfer of economic benefits will be required to settle the obligation, and where a reliable estimate can be made of the amount of the obligation.

Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with CPL Industries Group Limited and fellow subsidiary undertakings.

2 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Goodwill and intangible assets

The company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit the useful life and assumptions that market participants would consider in respect of similar businesses.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

2 Critical accounting judgements and estimation uncertainty

continued

Impairment of non-current assets

Where there are indicators of impairment of individual assets, the company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows do not include restructuring activities that the company is not yet permitted to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 7.

3 Turnover

Geographical analysis by destination:	2017	2016
	£'000	£'000
Europe	246	-
	246	-

Turnover represents the amounts arising from the sales of goods and services which fall within the company's ordinary activities, stated net of value added tax.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

4 Operating expenses

	2017 £'000	2016 £'000
Materials	228	-
Employee costs (note 6)	14	-
Amortisation of intangible assets (note 8)	10	-
Services provided by the company's auditors:		
Fees payable for the audit	1	-
Other operating charges	16	-
	269	-

5 Directors' emoluments

None of the directors received any emoluments for provision of their services to CPL France Limited (formerly known as Broomco (4077) Limited). Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of CPL Industries Group Limited.

6 Employee information

The average monthly number of persons (including executive directors) employed by the company during the year was:

By activity	2017 Number	2016 Number
Selling and distribution	1	-
Administration	1	-
	2	-
Staff costs (for the above persons)	2017 £'000	2016 £'000
Wages and salaries	10	-
Social security costs	3	-
Other pension costs (note 12)	1	-
	14	-

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

7 Tax on loss

Tax expense included in profit or loss	2017 £'000	2016 £'000
Current tax:		
United Kingdom corporation tax on the losses for the year	-	-
Tax on (loss)/result	-	-

The tax assessed for the year is lower than (2016: equal to) the standard rate of corporation tax in the UK of 20% (2016: 20%). The differences are explained below:

	2017 £'000	2016 £'000
Loss before taxation	(23)	-
Loss multiplied by the standard rate of corporation tax in the UK of 20% (2016: 20%)	5	-
Effects of:		
Other timing differences	(5)	-
Tax on (loss)/result	-	-

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

8 Intangible assets

	Goodwill
	£'000
Cost	
At 1 April 2016	-
Additions (note 16)	908
At 31 March 2017	908
Accumulated amortisation	
At 1 April 2016	-
Charge for the year	10
At 31 March 2017	10
Net book amount	
At 31 March 2017	898
At 31 March 2016	-

On 15 February 2017 the company acquired certain elements of the trade and assets of Groupe Lamy for total consideration of £2,603,000. Details of the assets acquired and the determination of goodwill arising are shown in note 16.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

9 Inventories

	2017	2016
	£'000	£'000
Goods for resale	1,466	-

10 Debtors

	2017	2016
	£'000	£'000
Trade debtors	246	-
Amounts owed by group undertakings	250	250
	496	250

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

11 Creditors: amounts falling due within one year

	2017	2016
	£'000	£'000
Amounts owed to group undertakings	856	-
Other creditors	1,829	-
	2,685	-

12 Pension costs

The company operates a defined contribution pension scheme. The total pension cost for the year was £1,000 (2016: nil). Outstanding employer contributions as at 31 March 2017 amount to £1,000 (2016: nil).

13 Called up share capital

	2017	2016
	£'000	£'000
Authorised, allotted and fully paid		
1,000 (2016: 1,000) ordinary shares of £1 each	1	1

CPL France Limited (formerly known as Broomco (4077) Limited)

**Notes to the financial statements
for the year ended 31 March 2017** continued

14 Financial instruments

	2017	2016
	£'000	£'000
<hr/>		
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	246	-
Amounts owed by group undertakings	250	250
	496	250
<hr/>		
Financial liabilities measured at amortised cost		
Amounts owed to group undertakings	856	-
Other creditors	1,829	-
	2,685	-
<hr/>		

15 Financial commitments

At 31 March, the company had no annual commitments under non-cancellable operating leases.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

16 Business combinations

On 15 February 2017 the company acquired certain elements of the trade and assets of Groupe Lamy for total consideration of £2,603,000. Details of the assets acquired and the determination of goodwill arising are shown below:

	£'000
Current assets	
Stocks	<u>1,829</u>
	1,829
Total assets	<u>1,829</u>
Assets acquired	<u>1,829</u>
Fair value adjustments	(134)
Total fair value	<u>1,695</u>
Consideration paid	2,603
Goodwill arising on acquisition	<u>908</u>

Fair value adjustments of £134,000 were made in relation to stock provisions.

Management have estimated the useful economic life of goodwill to be 10 years.

CPL France Limited (formerly known as Broomco (4077) Limited)

Notes to the financial statements for the year ended 31 March 2017 continued

17 Ultimate parent undertaking

The immediate parent undertaking is CPL Industries (EMEA) Limited.

For the year ended 31 March 2017 the largest and smallest group in which CPL France Limited (formerly known as Broomco (4077) Limited) is consolidated is CPL Industries Group Limited.

Copies of the financial statements of CPL Industries Group Limited may be obtained from the Company Secretary, CPL Industries Group Limited, Westthorpe Fields Road, Killamarsh, Sheffield, S21 1TZ.

At the 31 March 2017 the directors consider VCP Jet Luxco Sarl is the ultimate parent company and controlling party. Copies of the financial statements of VCP Jet Luxco Sarl are available from 5 rue Guillaume Kroll, L-1882, Luxembourg.