

Company Registration No. 07524514 (England and Wales)

FIRST STOP NEWS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 27 MARCH 2022

FIRST STOP NEWS LIMITED

COMPANY INFORMATION

Directors	JM James MJ Clayton MJ Titterton
Company number	07524514
Registered office	Hazel Court Midland Way Barlborough Links Chesterfield Derbyshire S43 4FD
Auditor	BHP LLP 2 Rutland Park Sheffield S10 2PD

FIRST STOP NEWS LIMITED

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FIRST STOP NEWS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 27 MARCH 2022

The directors present the strategic report for the year ended 27 March 2022.

Fair review of the business

The principal activity of the company during the year was that of a dormant, intermediate holding company in the James Convenience Retail Group. The subsidiary investments and their trading activities are set out in note 7 of the accounts.

As such there has been no profit and loss account activity during the current or prior year.

Principal risks and uncertainties

In its role as a dormant holding company First Stop News Limited does not face any principal risks and uncertainties which would require disclosure by the directors.

Key performance indicators

The directors do not consider there to be any financial key performance indicators as the company is dormant.

On behalf of the board

MJ Titterton
Director

22 December 2022

FIRST STOP NEWS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 27 MARCH 2022

The directors present their annual report and financial statements for the year ended 27 March 2022.

Principal activities

The principal activity of the company during the year is that of a dormant, intermediate, holding company.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

JM James
MJ Clayton
MJ Titterton

Auditor

BHP LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

MJ Titterton
Director

22 December 2022

FIRST STOP NEWS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 27 MARCH 2022

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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

FIRST STOP NEWS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF FIRST STOP NEWS LIMITED

Opinion

We have audited the financial statements of First Stop News Limited (the 'company') for the year ended 27 March 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 27 March 2022 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

FIRST STOP NEWS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF FIRST STOP NEWS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error.

We focussed on laws and regulations relevant to the company which could give rise to a material misstatement in the financial statements. Our testing included discussions with management and directors with direct responsibility for the compliance of laws and regulations and agreeing financial statement disclosures to underlying supporting documentation. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

FIRST STOP NEWS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) **TO THE MEMBER OF FIRST STOP NEWS LIMITED**

Use of our report

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.

Paul Winwood (Senior Statutory Auditor)
For and on behalf of BHP LLP

22 December 2022

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

FIRST STOP NEWS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 27 MARCH 2022

		2022 £000	2021 £000
	Notes		
Profit before taxation		-	-
Tax on profit	5	-	-
Profit for the financial year		-	-

The company has not traded during the current or preceding year. It received no income and incurred no expenditure, and therefore made neither profit nor loss.

FIRST STOP NEWS LIMITED

BALANCE SHEET

AS AT 27 MARCH 2022

		2022		2021	
	Notes	£000	£000	£000	£000
Fixed assets					
Investments	6		4,006		4,006
Current assets		-		-	
Creditors: amounts falling due within one year	8	(5,499)		(5,499)	
Net current liabilities			(5,499)		(5,499)
Net liabilities			(1,493)		(1,493)
Capital and reserves					
Called up share capital	9		390		390
Profit and loss reserves			(1,883)		(1,883)
Total equity			(1,493)		(1,493)

The financial statements were approved by the board of directors and authorised for issue on 22 December 2022 and are signed on its behalf by:

MJ Titterton
Director

Company Registration No. 07524514

FIRST STOP NEWS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 27 MARCH 2022

	Share capital	Profit and loss reserves	Total
	£000	£000	£000
Balance at 28 March 2020	390	(1,883)	(1,493)
Year ended 27 March 2021:			
Profit and total comprehensive income for the year	-	-	-
	<u>390</u>	<u>(1,883)</u>	<u>(1,493)</u>
Balance at 27 March 2021	390	(1,883)	(1,493)
Year ended 27 March 2022:			
Profit and total comprehensive income for the year	-	-	-
	<u>390</u>	<u>(1,883)</u>	<u>(1,493)</u>
Balance at 27 March 2022	<u><u>390</u></u>	<u><u>(1,883)</u></u>	<u><u>(1,493)</u></u>

FIRST STOP NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 27 MARCH 2022

1 Accounting policies

Company information

First Stop News Limited is a private company limited by shares incorporated in England and Wales. The registered office is Hazel Court, Midland Way, Barlborough Links, Chesterfield, Derbyshire, S43 4FD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention, modified to include the certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A;
- Section 26 'Share based Payment': Share based payment arrangements required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of James Convenience Retail Limited. These consolidated financial statements are available from its registered office.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

FIRST STOP NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 27 MARCH 2022

1 Accounting policies

(Continued)

1.2 Going concern

First Stop News Group Limited is a member of a group headed up by James Convenience Retail Limited. The company's financial position is very closely linked to that of the group.

The directors have a reasonable expectation that the group and company have adequate resources to continue in operational existence for the foreseeable future and accordingly adopted the going concern basis in preparing the financial statements.

The directors in considering going concern have considered a number of factors, including the current and prior performance and macroeconomic conditions. In particular, the post pandemic impact of COVID 19 which has continued to have a persistent impact on performance in 2022.

At 26 March 2022 the group's balance sheet showed shareholders' funds deficit of £272,000 (2021: £1,056,000). The directors are mindful that at 26 March 2022 the group also had net current liabilities of £1,071,000 (2021: net current liabilities of £155,000).

To further substantiate the going concern assessment, the board has prepared detailed forecasts and cashflows for the period to 31 December 2024 using recent trading performance as a strong indicator of how future trading could transpire. The directors have also taken into account announced increases in the national living wage and the most recent impact of energy prices on the groups' future energy costs. Since the year end the directors have also worked with its banking stakeholder to renew the facilities. The forecasts show the group generating profit at EBITDA level and operating within its borrowing facilities over the forecast period. Outside of these forecasts the directors are also expecting further upside potential on the back of planned investment into the group's existing store premises which will offer a better experience for its consumers.

1.3 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FIRST STOP NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 27 MARCH 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Basic financial liabilities

Basic financial liabilities, including loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of investments

The directors assess the impairment of investments by comparing the carrying value of an asset or cash generating unit to its recoverable amount. Recoverable amount is defined as the higher of its fair value less costs to sell and its 'value in use'. These comparisons require subjective judgements and estimates to be made by management with regard to projected future cash flows of income-generating units or the amounts that could be obtained from the sale of the investments.

FIRST STOP NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 27 MARCH 2022

3 Operating profit

	2022 £000	2021 £000
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	3	3
	<u>3</u>	<u>3</u>

4 Employees

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

	2022 Number	2021 Number
Total	-	-
	<u>-</u>	<u>-</u>

There are no employees including directors in either the current or preceding year.

5 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £000	2021 £000
Profit before taxation	-	-
	<u>-</u>	<u>-</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	-	-
	<u>-</u>	<u>-</u>
Taxation charge in the financial statements	-	-
	<u>-</u>	<u>-</u>

6 Fixed asset investments

	Notes	2022 £000	2021 £000
Investments in subsidiaries	7	4,006	4,006
		<u>4,006</u>	<u>4,006</u>

FIRST STOP NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 27 MARCH 2022

7 Subsidiaries

Details of the company's subsidiaries at 27 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Rippleglen Limited		Retail convenience stores	Ordinary	100.00	-
Maynews Limited		Retail convenience stores	Ordinary	100.00	-
Eastcliffe News Shops Limited		Retail convenience stores	Ordinary	0	100.00
Supernews Stores Limited		Retail convenience stores	Ordinary	0	100.00

8 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Amounts owed to group undertakings	5,499	5,499

Amounts owed to group undertakings are shown as falling due within one year as there is no set repayment date and there is no formal agreement in place. Commercially there are no plans for these amounts to be recalled within the next 12 months by the other group company.

9 Share capital

	2022 Number	2021 Number	2022 £000	2021 £000
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	390,001	390,001	390	390

10 Financial commitments, guarantees and contingent liabilities

The company is party to an omnibus guarantee covering the bank borrowings of the wider group. As at 27 March 2022 these borrowings totalled £2,136,756 (2021: £1,650,126).

11 Related party transactions

As the company is a wholly-owned subsidiary of a company whose consolidated accounts include the results of the subsidiary and are publicly available, the company has taken advantage of FRS 102 Section 33.1A exemption from disclosing transactions with group undertakings where 100% of the voting rights are held within the group.

FIRST STOP NEWS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 27 MARCH 2022

12 Ultimate controlling party

The company's immediate and ultimate parent company is James Convenience Retail Limited.

James Convenience Retail Limited is incorporated in England and Wales and shares the registered office of the company as detailed on the company information page.

The smallest and largest group for which group financial statements are prepared is James Convenience Retail Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

James Convenience Retail Limited is controlled by J M James.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.