

COMPANY REGISTRATION NUMBER 08421990

THOMAS WITTER CARPETS LIMITED
FINANCIAL STATEMENTS
28TH MARCH 2015

THURSDAY



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THOMAS WITTER CARPETS LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

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THOMAS WITTER CARPETS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr G B Wilding Mr S Byrne
Company secretary	Mr K Campbell
Registered office	Park View Road East Hartlepool TS25 1HT
Auditor	Nexia Smith & Williamson Chartered Accountants & Statutory Auditor 25 Moorgate London EC2R 6AY
Bankers	HSBC Bank plc York Road Hartlepool TS26 9DF
Solicitors	Archers Law Lakeside House Kingfisher Way Stockton-on-Tees TS18 3NB

THOMAS WITTER CARPETS LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

The directors have pleasure in presenting their report and the financial statements of the company for the period from 1st July 2014 to 28th March 2015. On 14th January 2015 the company became part of the Victoria Plc group and consequently changed its accounting reference date to 31st March. These financial statements are prepared to 28th March 2015, being the last Saturday of the financial period.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of carpet and carpet accessory distributor.

DIRECTORS

The directors who served the company during the period were as follows:

Mr S Byrne	
Mr G B Wilding	(Appointed 13th January 2015)
Mr W Calvert	(Resigned 13th January 2015)
Mr S Oliver	(Resigned 13th January 2015)

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the 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 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 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; 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. 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.

THOMAS WITTER CARPETS LIMITED

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

SMALL COMPANY PROVISIONS

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

Signed on behalf of the directors



Mr S M M Byrne
Director

Approved by the directors on 23/12/15

THOMAS WITTER CARPETS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS WITTER CARPETS LIMITED

We have audited the financial statements of Thomas Witter Carpets Limited for the period from 1st July 2014 to 28th March 2015 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28th March 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

THOMAS WITTER CARPETS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS WITTER CARPETS LIMITED *(continued)*

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

OTHER MATTER

The financial statements of Thomas Witter Carpets Limited for the period ended 30th June 2014 were unaudited.

Nexia Smith & Williamson

Timothy Adams (Senior Statutory Auditor)

For and on behalf of

Nexia Smith & Williamson

Statutory Auditor

Chartered Accountants

25 Moorgate

London

EC2R 6AY

23 December 2015

THOMAS WITTER CARPETS LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

		Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
TURNOVER	Note 2	2,278,454	4,549,079
Cost of sales		(1,859,652)	(3,574,879)
GROSS PROFIT		418,802	974,200
Distribution costs		(67,180)	(142,296)
Administrative expenses		(323,729)	(739,450)
Other operating income	3	320	102
OPERATING PROFIT	4	28,213	92,556
Interest payable and similar charges	6	(32,660)	(45,213)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(4,447)	47,343
Tax on (loss)/profit on ordinary activities	7	868	(9,733)
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD	16	(3,579)	37,610

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.


The notes on pages 8 to 16 form part of these financial statements.

THOMAS WITTER CARPETS LIMITED
COMPANY REGISTRATION NUMBER: 08421990
BALANCE SHEET

28TH MARCH 2015

	Note	28 Mar 15 £	£	30 Jun 14 £
FIXED ASSETS				
Intangible assets	8		—	—
CURRENT ASSETS				
Stocks	9	1,481,240		1,769,547
Debtors	10	775,428		809,386
		<u>2,256,668</u>		<u>2,578,933</u>
CREDITORS: Amounts falling due within one year	12	<u>2,221,637</u>		<u>2,540,323</u>
NET CURRENT ASSETS			<u>35,031</u>	<u>38,610</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>35,031</u>	<u>38,610</u>
CAPITAL AND RESERVES				
Called-up equity share capital	15		1,000	1,000
Profit and loss account	16		<u>34,031</u>	<u>37,610</u>
SHAREHOLDERS' FUNDS	17		<u>35,031</u>	<u>38,610</u>

These financial statements were approved by the directors and authorised for issue on 23/12/15,
and are signed on their behalf by:


Mr S M M Byrne
Director

The notes on pages 8 to 16 form part of these financial statements.

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with United Kingdom Generally Accepted Accounting Practice.

Comparative amounts

The comparative amounts for the period ended 30th June 2014 included in these financial statements are unaudited.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent, Victoria Plc, publishes a consolidated cash flow statement.

Turnover

Turnover represents the value of goods sold during the year net of discounts, returns and Value Added Tax. Turnover is recognised when the goods are physically delivered to the customer.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - straight line over 10 months

Fixed assets

All fixed assets are initially recorded at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

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

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
United Kingdom	<u>2,278,454</u>	<u>4,549,079</u>

3. OTHER OPERATING INCOME

	Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
Recharge for customer credit card payments	<u>320</u>	<u>102</u>

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
Directors' remuneration	—	—
Amortisation of intangible assets	—	100,000
Depreciation of owned fixed assets	—	6,000
Profit on disposal of fixed assets	—	(6,000)
Auditor's remuneration		
- as auditor	4,850	—
Net loss on foreign currency translation	<u>287</u>	<u>5</u>

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial period amounted to:

	Period from 1 Jul 14 to 28 Mar 15 No	Period from 27 Feb 13 to 30 Jun 14 No
Number of sales staff	<u>2</u>	<u>2</u>

The aggregate payroll costs of the above were:

	Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
Wages and salaries	88,564	146,783
Social security costs	11,400	15,697
Other pension costs	60	—
	<u>100,024</u>	<u>162,480</u>

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
Interest payable on bank borrowing	<u>32,660</u>	<u>45,213</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
Current tax:		
UK Corporation tax based on the results for the period at 20% (2014 - 20.20%)	-	9,733
Total current tax	-	<u>9,733</u>
Deferred tax:		
Origination and reversal of timing differences (note 11)		
Losses	(68)	-
Other	<u>(800)</u>	-
Total deferred tax (note 11)	(868)	-
Tax on (loss)/profit on ordinary activities	<u>(868)</u>	<u>9,733</u>

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the period is higher than (2014: higher than) the standard rate of corporation tax in the UK of 20% (2014 - 20.20%).

	Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
(Loss)/profit on ordinary activities before taxation	<u>(4,447)</u>	<u>47,343</u>
(Loss)/profit on ordinary activities by rate of tax	(889)	9,562
Expenses not deductible for tax purposes	822	317
Utilisation of tax losses	67	-
Tax chargeable at lower rates	-	(146)
Total current tax (note 7(a))	<u>-</u>	<u>9,733</u>

8. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st July 2014 and 28th March 2015	<u>100,000</u>
AMORTISATION	
At 1st July 2014 and 28th March 2015	<u>100,000</u>
NET BOOK VALUE	
At 28th March 2015	<u>-</u>
At 30th June 2014	<u>-</u>

9. STOCKS

	28 Mar 15 £	30 Jun 14 £
Goods purchased for resale	<u>1,481,240</u>	<u>1,769,547</u>

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

10. DEBTORS

	28 Mar 15	30 Jun 14
	£	£
Trade debtors	692,394	653,869
Amounts owed by group undertakings	6,807	-
VAT recoverable	-	16,027
Other debtors	-	11,581
Directors current accounts	-	1,000
Prepayments and accrued income	75,359	126,909
Deferred taxation (note 11)	868	-
	<u>775,428</u>	<u>809,386</u>

11. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows:

	Period from 1 Jul 14 to 28 Mar 15	Period from 27 Feb 13 to 30 Jun 14
	£	£
Included in debtors (note 10)	<u>868</u>	<u>-</u>

The movement in the deferred taxation account during the period was:

	Period from 1 Jul 14 to 28 Mar 15	Period from 27 Feb 13 to 30 Jun 14
	£	£
Profit and loss account movement arising during the period	<u>868</u>	<u>-</u>
Balance carried forward	<u>868</u>	<u>-</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	28 Mar 15	30 Jun 14
	£	£
Tax losses available	68	-
Other timing differences	<u>800</u>	<u>-</u>
	<u>868</u>	<u>-</u>

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

12. CREDITORS: Amounts falling due within one year

	28 Mar 15	30 Jun 14
	£	£
Bank overdrafts	1,458,936	1,813,664
Trade creditors	696,574	619,141
Other creditors including taxation and social security:		
Corporation tax	3,133	9,733
PAYE and social security	4,093	4,117
VAT	33,169	—
Other creditors	6,941	1,430
	<u>2,202,846</u>	<u>2,448,085</u>
Accruals and deferred income	18,791	92,238
	<u>2,221,637</u>	<u>2,540,323</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	28 Mar 15	30 Jun 14
	£	£
Bank overdrafts	<u>1,458,936</u>	<u>—</u>

HSBC plc hold a debenture including Fixed Charged over all present freehold and leasehold property; First Fixed Charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and first Floating Charge over all assets and undertaking both present and future dated 20th August 2013.

13. CONTINGENCIES

HSBC plc hold an Unlimited Multilateral Guarantee dated 20th August 2013 given by Whitestone Weavers Limited, Thomas Witter Carpets Limited, Gaskell Mackay Carpets Limited, View Logistics Limited and Carpet Line Direct Limited.

As at 28th March 2015 the contingent liability for the company was £nil (Jun 14: £nil).

14. RELATED PARTY TRANSACTIONS

On the 14th January 2015 the business was acquired by Victoria PLC. At the same time a new company, Whitestone Carpets Holdings Ltd, was formed being wholly owned by Victoria PLC. Whitestone Carpets Holdings Ltd wholly owns the company.

During the period to 13th January 2015 the company made sales of £14,866 (2014: £3,508) to Calverts Carpets Limited. At the period end the company was owed £nil (2014: £1,360) by Calverts Carpets Limited. The companies had directors in common who had significant influence.

During the period to 13th January 2015 the company made purchases from Whitestone Weavers Limited of £110,344 (2014: £58,998). At the period end the company owed Carpet Line Direct £nil (2014: £12,013). During the period the companies had directors in common who had significant influence.

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

14. RELATED PARTY TRANSACTIONS *(continued)*

During the period to 28th March 2015 the company paid management charges of £33,700 (2014: £60,400) to VMS Corporate Management Limited. At the period end the company owed VMS Corporate Management Limited £nil (2014: £28,800). The companies have directors in common who have significant influence.

During the period to 28th March 2015 the company paid management charges of £11,000 (2014 (15 months): £224,000) to View Logistics Limited. At the period end the company owed £nil (2014: £218) to View Logistics Limited. The companies have directors in common who have significant influence.

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 and does not disclose transactions with fellow group undertakings from the date it was acquired by Victoria PLC.

15. SHARE CAPITAL

Allotted, called up and fully paid:

	28 Mar 15		30 Jun 14	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

16. PROFIT AND LOSS ACCOUNT

	Period from 1 Jul 14 to 28 Mar 15 £	Period from 27 Feb 13 to 30 Jun 14 £
Balance brought forward	37,610	–
(Loss)/profit for the financial period	(3,579)	37,610
Balance carried forward	<u>34,031</u>	<u>37,610</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	28 Mar 15 £	30 Jun 14 £
(Loss)/Profit for the financial period	(3,579)	37,610
New ordinary share capital subscribed	–	1,000
Net (reduction)/addition to shareholders' funds	(3,579)	38,610
Opening shareholders' funds	<u>38,610</u>	–
Closing shareholders' funds	<u>35,031</u>	<u>38,610</u>

THOMAS WITTER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST JULY 2014 TO 28TH MARCH 2015

18. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Whitestone Carpets Holdings Limited. The company's ultimate parent undertaking is Victoria Plc, copies of its financial statements of which this company is a part can be obtained from its registered office, Worcester Road, Kidderminster, DY10 1JR. Victoria Plc is both the largest and smallest group into which this company is consolidated.