

# **Peacocks Stores Limited**

**(formerly EWM (IP) Limited)**

## **Annual Report and Financial Statements**

**Year ended 25 February 2012**

***Registered Number : SC285031***

**TUESDAY**



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**COMPANIES HOUSE**

**PEACOCKS STORES LIMITED**  
**(formerly EWM (IP) Limited)**  
**Registered Number: SC285031**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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**PEACOCKS STORES LIMITED**  
**(formerly EWM (IP) Limited)**  
**Registered Number: SC285031**

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**DIRECTORY**

**DIRECTORS**

P E Day  
K B Lee  
C Leigh  
S R Simpson  
D O Houston

**SECRETARY**

J Carruthers

**AUDITOR**

KPMG LLP  
191 West George Street  
Glasgow  
G2 2LJ

**BANKERS**

Barclays Bank plc  
77 Albion Street  
Leeds  
LS1 5LD

**SOLICITORS**

MacLay Murray & Spens LLP  
1 George Square  
Glasgow  
G2 1AL

**REGISTERED OFFICE**

Waverley Mills  
Langholm  
Dumfriesshire  
DG13 OEB

# **PEACOCKS STORES LIMITED**

**(formerly EWM (IP) Limited)**

**Registered Number: SC285031**

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## **DIRECTORS' REPORT**

The directors present their report and financial statements for the 52 weeks to 25 February 2012.

On 29 February 2012 the company changed its name to Peacocks Stores Limited.

### **PRINCIPAL ACTIVITY**

#### **Key business activities**

Until February 2012 the principal activity of the company was to manage, maintain, protect, develop and enhance the intellectual property of group companies. In February 2012 the company transferred its assets to another group company.

On 22 February 2012, the company acquired a substantial part of the assets and trade of Peacock's Stores Limited, Peacocks (Nantgarw) Limited and Dorsman Estates Co Limited. Subsequently the principal activity of the company changed to being the proprietor of retail stores, selling a range of clothing for the family. Its main customer profile is the younger mum shopping for herself and her family. Peacocks typically targets the C2, D and E socio-economic groups, whilst also attracting a wider range of value-conscious shoppers.

At 25 February 2012 the business had 388 stores, including concessions.

### **REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

The directors consider the result for the year to be satisfactory. A key business objective is to assess all Peacocks stores not acquired on 22 February 2012 with a view to re-opening as many as possible.

### **MANAGEMENT OF RISKS/UNCERTAINTIES**

In the current environment vigilance over all the material areas of potential risk are extremely important. Some of the key risks impacting the business and how they are managed/controlled are as follows:-

- **Foreign currency.** The company purchases many products from overseas suppliers in non sterling denominated currencies giving rise to potential currency movement risk.

In order to provide a degree of certainty and to allow accurate costing of products, the group of which Duvetco is a part hedges a percentage of the forward purchase orders by means of derivatives, being mainly forward foreign exchange contracts and currency options.

- **Interest rates.** Although the monetary environment currently experienced is that of low interest rates, this could change quickly and it is important that the funding cost does not suddenly escalate as a result of any increases in interest rates.

As a matter of policy, the group of which Duvetco is a part, ensures that a minimum of 40% of the committed debt is hedged by means of fixed interest rate swaps. At the present time a very substantial proportion of the bank debt is hedged in this manner.

- **Major disruptive events.** The company operates ongoing Business Continuity planning which is reviewed and updated on a regular basis. A formal Business Continuity Plan exists and an external Disaster Recovery contract is in place with a reputable third party provider. These plans are simulated in a 'real' environment at least once a year, in order to ensure that in the case of a disaster to a key area of the business, the systems environment can be re-established within pre-defined timeframes.

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**DIRECTORS' REPORT**

- **Impact of legislation/other regulatory requirements.** The company monitors current and forthcoming legislation on a regular basis and operates policies and procedures within the business which are consistent with such requirements. As well as utilising third party professionals, the company employs considerable in house expertise in order that these developments are adequately assessed and policies and procedures developed to ensure that any implications are addressed and that risks arising are minimised.  
Such policies and procedures are incorporated into a Policies & Procedures Manual (PPM) which is made available to all employees by various means (hard copy, intranet etc), supported by specific notices drawing key developments to the attention of staff and promoting the importance of adherence.
- **Pension funding risk.** The company does not operate a Defined Benefit pension scheme but does participate in a Group Personal pension scheme which is based on defined contributions. The company therefore assesses the pension funding risk as minimal.
- **Litigation.** The company adopts a strategy of focussed risk management in order to reduce the likelihood of third party actions arising and also utilises various forms of insurance to protect and mitigate the impact of any potential litigation against the group, primarily in the areas of public and employer liability.

**Key Performance Indicators**

The company utilises a number of Key Performance Indicators (KPI's) in order to monitor and assess the performance of the business and compares these with targets which are set at the beginning of each fiscal year. Some of the main KPI's are as follows:

**Operating Profit %**

**Free Cash Flow %**

**Working Capital %**

**Return on Capital Employed**

**Operating Profit per Employee**

No calculations are included above as the business of Peacocks was only acquired on 22 February 2012.

**RESULTS AND DIVIDENDS**

The profit for the year after taxation amounted to £354,000 (year to 26 February 2011 loss - £256,000). The directors do not recommend the payment of a dividend (year ended 26 February 2011: £nil).

**DIRECTORS**

The directors holding office during the year were as follows:

P E Day  
D O Houston (resigned 20 February 2012 and reappointed 1 March 2012)  
K B Lee (appointed 4 January 2012)  
C Leigh (appointed 17 February 2012)  
S R Simpson (appointed 17 February 2012)

In accordance with the Articles of Association, no director retires by rotation.

# **PEACOCKS STORES LIMITED**

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## **DIRECTORS' REPORT**

### **EMPLOYEES**

The directors are committed to ensuring genuine and effective employee involvement in the company's activities. It is recognised that training and development of employees is an essential investment. The company believes that by providing regular updates to all staff as to the company's progress, taking cognisance of staff feedback and by involving staff where possible in decisions, the overall effectiveness of the business through this team work is enhanced and further that the morale of the work force is positively impacted.

#### **Key areas are:**

- Newsletter updating staff of developments in the company.
- Annual performance appraisals for all levels of staff.

The company gives full and fair consideration to all applications for employment having regard to each applicant's aptitude and ability for the position available. Physical disability is not a bar to the provision of training for career development, or to promotion which is encouraged wherever possible.

Considerable emphasis is placed on employee development and in particular improving their awareness of the importance of the customer whether internal or external to the Group.

### **CHARITABLE DONATIONS**

The company made no donations to local community organisations in the year.

### **DISCLOSURE OF INFORMATION TO 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 auditor is unaware and each director has taken all the necessary steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the Board



J Carruthers  
Secretary

25 June 2012

## **PEACOCKS STORES LIMITED**

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### **STATEMENT OF DIRECTORS' REPOSNSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 its profit or loss for that period. In preparing the 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.

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 its 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEACOCKS STORES LIMITED (FORMERLY EWM (IP) LIMITED)**

We have audited the financial statements of Peacocks Stores Limited (formerly EWM (IP) Limited) for the year ended 25 February 2012 set out on pages 8 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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). Those standards require us to comply with the Audit Practices Board's (APB'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 APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 25 February 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

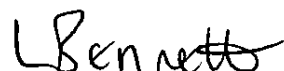
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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 by the company, 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.



**L Bennett (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*  
*Glasgow*

26 June 2012



# PEACOCKS STORES LIMITED

(formerly EWM (IP) Limited)

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## PROFIT AND LOSS ACCOUNT

For the Year Ended 25 February 2012

				Continuing Operations	Discontinued Operations	Discontinued Operations	
	Notes			2011/12	2011/12	Total Year	Total Year
				£000	£000	2011/12	2010/11
						£000	£000
TURNOVER	1			2,578	-	2,578	-
Cost of sales				(1,272)	(53)	(1,325)	(53)
GROSS PROFIT/(LOSS)				1,306	(53)	1,253	(53)
Distribution costs				(28)	-	(28)	-
Administrative expenses				(378)	-	(378)	(2)
Amortisation of goodwill				-	(53)	(53)	(53)
OPERATING PROFIT/(LOSS)	3			900	(106)	794	(108)
Net interest payable and similar charges	5			-	(84)	(84)	(257)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3			900	(190)	710	(365)
Tax on profit/(loss) on ordinary activities	6			(413)	57	(356)	109
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	14			487	(133)	354	(256)

The operations of the company were wholly derived from continuing activities.

There were no gains or losses recognised in the year other than those dealt with in the profit and loss account above.

**PEACOCKS STORES LIMITED**  
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**BALANCE SHEET**  
At 25 February 2012

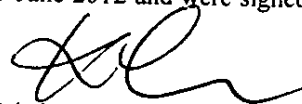
	Notes	25 February 2012 £000	26 February 2011 £000
<b>FIXED ASSETS</b>			
Intangible assets	7	6,069	728
Tangible assets	8	2,000	-
		<hr/>	<hr/>
		8,069	728
<b>CURRENT ASSETS</b>			
Stocks	9	12,151	-
Debtors	10	1,324	14,704
Cash at bank and in hand		5,255	-
		<hr/>	<hr/>
		18,730	14,704
<b>CREDITORS: amounts falling due within one year</b>	11	(20,629)	(9,617)
		<hr/>	<hr/>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		(1,899)	5,087
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,170	5,815
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	12	(1)	-
		<hr/>	<hr/>
<b>NET ASSETS</b>		6,169	5,815
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	5,000	5,000
Profit and loss account	14	1,169	815
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>	14	6,169	5,815
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 25 June 2012 and were signed on its behalf by:

Philip Day  
Director



Kristian Lee  
Director



**PEACOCKS STORES LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 FEBRUARY 2012**

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**1. ACCOUNTING POLICIES**

***Financial year***

These financial statements are drawn up for the 52 week period ended 25 February 2012.

***Basis of preparation of accounts***

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The directors have considered the appropriateness of preparing the accounts on the going concern basis. As a result of the trading for the year, the balance sheet at the year end, along with projections for the next 12 months they consider this to be appropriate.

The company is exempt from the requirement of Financial Reporting Standard No. 1 (Revised) to prepare a cash flow statement as it is a wholly owned subsidiary of The Edinburgh Woollen Mill (Group) Limited and its cash flows are included within the consolidated cash flows of that company.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

***Turnover***

Turnover represents amounts receivable from the supply of goods and services to customers provided in the normal course of business, net of trade discounts, returns, VAT and other sales related taxes. Sales of goods are recognised when the significant risks and rewards of ownership have been passed to the buyer at the point of sale.

All turnover derives from continuing activities in the UK and relates to one class of business.

***Intangible assets***

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition, subject to the constraint that, unless the asset has a readily ascertainable market value, the fair value is limited to an amount that does not create or increase any negative goodwill arising on the acquisition. Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Intangible assets are amortised on a straight line basis over their estimated useful lives up to a maximum of 20 years. The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

***Depreciation***

Depreciation is provided to write off the cost less residual value of tangible fixed assets, other than freehold land, by equal instalments over their estimated useful economic lives at rates set out below.

Fixtures and fittings	12.5% per annum
Plant and machinery	25% per annum

***Stocks***

Stocks are stated at the lower of cost and net realisable value. Cost is based on purchase price. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolescence, markdown and shrinkage.

There is no material difference between the balance sheet value of stocks and their replacement cost.

***Taxation***

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

# PEACOCKS STORES LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 25 February 2012

### *Taxation (continued)*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in future or a right to pay less tax in future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods.

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

### *Foreign currencies*

Assets and liabilities denominated in foreign currencies are translated into sterling at exchange rates ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Gains or losses on exchange are taken to the profit and loss account.

The company utilises forward currency contracts with another company in order to eliminate any exposure to the fluctuation in foreign exchange rates.

### *Capital instruments*

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of the raising of capital instruments other than equity shares, is allocated to periods over the term of each individual instrument on a basis consistent with the level of the carrying amount.

## 2. DIRECTORS' EMOLUMENTS

No directors emoluments were paid in the period. Retirement benefits are accruing to three directors under a group defined benefit scheme and two directors under a group defined contribution scheme. Their remuneration is disclosed in the accounts of the parent company.

## 3. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit /(loss) on ordinary activities before taxation is stated after charging:

	2011/12 £000	2010/11 £000
Amortisation of intangible fixed assets	106	106
Auditor's remuneration – audit services	3	2
	<hr/>	<hr/>

**PEACOCKS STORES LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 25 FEBRUARY 2012**

**4. STAFF COSTS**

	<i>2011/12</i> <i>£000</i>	<i>2010/11</i> <i>£000</i>
Wages and salaries	56	-
Social security costs	119	-
	<u>175</u>	<u>-</u>

The average number of persons employed by the company during the year, all of whom were employed directly in retail and associated support activities, were as follows:

	<i>Number of employees</i> <i>2011/12</i>	<i>2010/11</i>
Retail	57	-
Distribution	6	-
Office and management	2	-
	<u>65</u>	<u>-</u>

**5. NET INTEREST PAYABLE AND SIMILAR CHARGES**

	<i>2011/12</i> <i>£000</i>	<i>2010/11</i> <i>£000</i>
Interest payable on bank borrowings	84	257
	<u>84</u>	<u>257</u>

**PEACOCKS STORES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 25 February 2012**6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES****a. Analysis of charge/(credit) for the year**

	2011/12 £000	2010/11 £000
<i>Current tax</i>		
UK corporation tax on profit / (loss) for the year	234	(109)
Adjustment in respect of prior periods	121	-
	<u>355</u>	<u>(109)</u>
<i>Deferred Tax</i>		
Origination and reversal of timing differences	1	-
	<u>1</u>	<u>-</u>
Total tax charges/(credit) for the year	<u>356</u>	<u>(109)</u>

**b. Factors affecting the tax charge/(credit) for the year**

	2011/12 £000	2010/11 £000
Profit/(Loss) on ordinary activities before taxation	710	(365)
Profit/(Loss) on ordinary activities multiplied by the rate of corporation tax in the UK of 26.19% (2010/11 – 28%)	186	(102)
Adjustment to tax charge in respect of prior periods	121	-
Depreciation in excess of capital allowances	(1)	-
UK transfer pricing	49	(7)
	<u>355</u>	<u>(109)</u>

**c. Factors affecting future tax charges**

The Emergency Budget on 22 June 2010 announced that the UK corporation tax rate will reduce from 28% to 24% over a period of four years from 2011. The first reduction in the UK corporation tax rate from 28% to 27% was substantively enacted on 20 July 2010, a reduction to 26% was substantively enacted on 29 March 2011, effective from 1 April 2011 and a further reduction to 25% was substantively enacted on 5 July 2011 and was to be effective from 1 April 2012.

The budget on 21 March 2012 proposed further changes to the UK corporation tax rate with the rate reducing to 24% from 1 April 2012 and a further two percent reduction to 22% by 1 April 2014. These changes had not been substantively enacted by the balance sheet date and consequently are not included in the financial statements. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future corporation tax charge and reduce the company's deferred tax liabilities accordingly.

**PEACOCKS STORES LIMITED****(formerly EWM (IP) Limited)****Registered Number: SC285031****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 FEBRUARY 2012****7. INTANGIBLE ASSETS**

	<i>Intellectual Property £000</i>	<i>Goodwill £000</i>	<i>Total £000</i>
Cost:			
At 27 February 2011	541	531	1,072
Additions	5,000	1,069	6,069
Transfer to group company	(541)	(531)	(1,072)
25 February 2012	<u>5,000</u>	<u>1,069</u>	<u>6,069</u>
Amortisation:			
At 27 February 2011	185	159	344
Provided during the year	53	53	106
Transfer to group company	(238)	(212)	(450)
At 25 February 2012	<u>-</u>	<u>-</u>	<u>-</u>
Net book value at 25 February 2012	<u>5,000</u>	<u>1,069</u>	<u>6,069</u>
Net book value at 26 February 2011	<u>356</u>	<u>372</u>	<u>728</u>

The intellectual property rights are being amortised on a straight line basis over the directors' estimate of their useful economic life of 10 years.

The goodwill is being amortised on a straight line basis over the directors' estimate of its useful economic life of 20 years.

**PEACOCKS STORES LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
For the Year Ended 25 February 2012

**8. TANGIBLE ASSETS**

	<i>Plant and Machinery £000</i>	<i>Fixtures and Fittings £000</i>	<i>Total £000</i>
Cost:			
At 27 February 2011	-	-	-
Additions	500	1,500	2,000
25 February 2012	<u>500</u>	<u>1,500</u>	<u>2,000</u>
Depreciation:			
At 27 February 2011 and 25 February 2012	-	-	-
Net book value at 25 February 2012	<u>500</u>	<u>1,500</u>	<u>2,000</u>
Net book value at 26 February 2011	<u>-</u>	<u>-</u>	<u>-</u>

**9. STOCKS**

	<i>25 February 2012 £000</i>	<i>26 February 2011 £000</i>
Finished goods	12,151	-

**10. DEBTORS**

	<i>25 February 2012 £000</i>	<i>26 February 2011 £000</i>
Trade debtors	54	-
Prepayments and accrued income	1,252	-
Other debtors	18	-
UK corporation tax – group relief recoverable from fellow subsidiaries	-	54
Amounts owed by group undertakings	-	14,650
	<u>1,324</u>	<u>14,704</u>



**PEACOCKS STORES LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 FEBRUARY 2012**

**11. CREDITORS: amounts falling due within one year**

	<i>25 February 2012 £000</i>	<i>26 February 2011 £000</i>
Bank overdraft	48	9,575
UK corporation tax	356	-
Social security and other taxes including VAT	268	-
Other creditors and accruals	812	42
Amounts owed to Group undertakings	19,145	-
	<u>20,629</u>	<u>9,617</u>

The bank overdraft facility is secured by means of standard securities, legal charges, debentures, floating charges and cross guarantees over all the assets of the company, the company's ultimate parent, The Edinburgh Woollen Mill (Group) Limited, and certain obligor group companies.

**12. PROVISIONS FOR LIABILITIES AND CHARGES**

	<i>Deferred Tax £000</i>
At 27 February 2011	-
Credited to profit and loss account	1
At 25 February 2012	<u>1</u>

Deferred taxation provided in the financial statements is as follows:

	<i>25 February 2012 £000</i>	<i>26 February 2011 £000</i>
Accelerated capital allowances	<u>1</u>	<u>-</u>

**13. CALLED UP SHARE CAPITAL**

	<i>25 February 2012 £000</i>	<i>26 February 2011 £000</i>
Allotted, called up and fully paid 5,000,000 Ordinary Shares of £1 each	<u>5,000</u>	<u>5,000</u>

# PEACOCKS STORES LIMITED

(formerly EWM (IP) Limited)

Registered Number: SC285031

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 25 February 2012

### 14. RESERVES AND RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	<i>Share capital £000</i>	<i>Profit and loss account £000</i>	<i>2011/12 Total £000</i>	<i>2010/11 Total £000</i>
At beginning of year	5,000	815	5,815	6,071
Profit/(Loss) for the year	-	354	354	(256)
At end of year	5,000	1,169	6,169	5,815

### 15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions allowed under FRS 8 not to disclose transactions with other Group companies.

### 16. CONTINGENT LIABILITIES

In conjunction with certain other companies in the Group, the company has granted guarantees to secure the loans, overdrafts and committed revolving credit facilities of the companies in the group banking arrangements as follows:

	<i>25 February 2012 £000</i>	<i>26 February 2011 £000</i>
Committed Revolving Credit and Ancillary Facilities	85,000	43,600
Contingent liability to the company based on group utilization of facilities at year end	35,166	-

### 17. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's ultimate parent company is The Edinburgh Woollen Mill (Group) Limited which is incorporated in Scotland. The only group in which the results of the Company are consolidated is that headed by The Edinburgh Woollen Mill (Group) Limited. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.