

Company Number 120271

SEARS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019



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SEARS LIMITED
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DIRECTORS' REPORT

The directors present their Report and audited financial statements of the company for the year ended 31 January 2019. The Report of the directors has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006. Accordingly a strategic report has not been prepared.

Principal activities and business review

Sears Limited is a holding company.

For the year ended 31 January 2019, the company made a loss before taxation of £6.4 million (2018: £1.2 million). No dividend (2018: £nil) was paid during the year and none is proposed.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements unless stated otherwise, were:

A S Barclay (appointed 10 July 2019)
P L Peters
M Seal (resigned 10 July 2019)

Qualifying pension scheme indemnity provision

In June 2008, the company granted an indemnity to the former and current directors of an associated company in respect of certain losses and liabilities which they may incur in relation to a terminated group pension scheme of which the associated company was a corporate trustee. This qualifying pension scheme indemnity provision as defined in section 235 of Companies Act 2006 remains in force.

Registered office

Third Floor
86 Jermyn Street
London
SW1Y 6JD

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

On behalf of the board



Philip L Peters
Director
23 October 2019

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and 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 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.

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.

Directors' confirmations

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEARS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Sears Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2019 and of its loss for the year then ended;
- have been properly prepared 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); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 January 2019; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEARS LIMITED (continued)

our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 January 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEARS LIMITED (continued)

Other required reporting

Companies Act 2006 exception reporting

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Julian Jenkins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 October 2019

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STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 January 2019

	Note	2019 £m	2018 £m
Administrative expenses		(7.4)	(1.2)
Operating loss			
Income from subsidiary		1.0	
Loss before taxation		(6.4)	(1.2)
Tax on loss	6	-	-
Loss for the financial year		(6.4)	(1.2)
Remeasurement of pension scheme obligation	8(vii)	7.2	1.0
Revaluation of investment in subsidiary	9	(1.0)	-
Other comprehensive income for the financial year		6.2	1.0
Total comprehensive loss for the financial year		(0.2)	(0.2)

The notes on pages 9 to 17 are an integral part of these financial statements.

All amounts relate to continuing operations.

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BALANCE SHEET
AS AT 31 JANUARY 2019

	Note	2019 £m	2018 £m
Fixed assets			
Investments	9	-	1.0
Current assets			
Debtors	10	409.1	409.2
Cash at bank and in hand		1.2	1.4
		<u>410.3</u>	<u>410.6</u>
Creditors: amounts falling due within one year	11	-	(1.0)
Net current assets		<u>410.3</u>	<u>409.6</u>
Total assets less current liabilities		<u>410.3</u>	<u>410.6</u>
Provisions for liabilities	12	(1.1)	(1.2)
Net assets		<u>409.2</u>	<u>409.4</u>
Capital and reserves			
Called up share capital	13	-	-
Revaluation reserve		-	1.0
Profit and loss account		409.2	408.4
Total equity		<u>409.2</u>	<u>409.4</u>

The notes on pages 9 to 17 are an integral part of these financial statements.

The financial statements of Sears Limited, company number 120271, on pages 6 to 17 were approved by the Board of Directors on 23 October 2019 and were signed on its behalf by:



Philip L Peters
Director

SEARS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2019

	Called up Share Capital £m	Revaluation Reserve £m	Profit and Loss Account £m	Total Equity £m
At 1 February 2017	-	1.0	408.6	409.6
Loss for the financial year	-	-	(1.2)	(1.2)
Other comprehensive income	-	-	1.0	1.0
At 31 January 2018	-	1.0	408.4	409.4
Loss for the financial year	-	-	(6.4)	(6.4)
Other comprehensive (expense)/ income for the financial year	-	(1.0)	7.2	6.2
At 31 January 2019	-	-	409.2	409.2

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Sears Limited ("the company") is a holding company. The company is a private limited company incorporated in the United Kingdom. The company's registered office is Third Floor, 86 Jermyn Street, London SW1Y 6JD.

2. Statement of compliance

The individual financial statements of Sears 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.

Group financial statements

The financial statements contain information about Sears Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, January Investments Limited, a company registered in England.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the presented statements, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom except for the revaluation of investments in subsidiary undertakings and pension assets and liabilities which are measured at fair value and present value respectively.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Exemptions for qualifying entities under FRS 102

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing statement of cash flow, on the basis that it is a qualifying entity and its holding company January Investments Limited, includes the company's cash flows in its own consolidated financial statements which are publicly available.

The company has also taken advantage of the exemption, under FRS 102 paragraph 33.1A, and has therefore not disclosed transactions or balances with entities which form part of the group or are disclosed in the group financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Summary of significant accounting policies (continued)

Investments

Shares in subsidiary undertakings are included in the company's balance sheet at the company's share of the net assets of those subsidiary undertakings. Valuation losses are charged to profit and loss to the extent that they exceed any net revaluation gains. Valuation gains in excess of net revaluation losses are credited to the revaluation reserve.

Taxation

Corporation tax is provided on taxable profits at the standard rate of corporation tax in the United Kingdom of 19% (2018: 19.16%).

Deferred taxation is accounted for on an undiscounted basis at tax rates enacted or substantively enacted at the balance sheet date on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

Retirement benefits

The company operates a funded defined benefit pension scheme for former group employees. The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

Following a High Court ruling in October 2018 requiring the equalisation of guaranteed minimum pensions (GMPs) entitlements between men and women, the company has accordingly increased its Scheme liabilities by £5.2m to meet this additional cost.

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy.

Actuarial gains and losses, return on plan assets excluding amounts included in net interest on the net defined benefit liability or asset, and any change in the amount of a defined benefit plan surplus that is not recoverable excluding amounts included in net interest on the net defined benefit liability or asset is charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of pension scheme obligation'.

The cost of the defined benefit plan is recognised in profit or loss, the constituents of which are disclosed in note 8(iii).

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. 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.

Defined benefit pension scheme

The company has obligations to pay pension benefits to former group employees under a funded scheme. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. Full disclosures are set out in note 8.

The company has assumed the liability under an unapproved unfunded retirement benefit arrangement for payments to certain former employees of its subsidiary S H Services Limited. The provision for this liability computed on FRS 102 assumptions is shown in note 12.

5. Loss before taxation

The loss before taxation is after charging audit fees of £8,750 (2018: £10,250) of which £3,750 (2018: £4,250) relate to the company.

6. Tax on loss

	2019 £m	2018 £m
Current tax:		
United Kingdom corporation tax at 19% (2018: 19.16%)	-	-
Deferred tax:		
Current year	-	-
Tax on loss	<u>-</u>	<u>-</u>

The tax assessed for the year is higher (2018: higher) than the standard rate applied in the United Kingdom. The differences are explained below:

	2019 £m	2018 £m
Loss before taxation	<u>(6.4)</u>	<u>(1.2)</u>
Loss multiplied by standard rate in the UK of 19% (2018: 19.16%)	(1.2)	(0.2)
Effects of:		
Permanent differences	<u>1.2</u>	<u>0.2</u>
Total taxation	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Directors and employees

During the year, no directors were entitled to retirement benefits (2018: £nil) and none of the directors received any emoluments in respect of services to the company (2018: £nil) or any compensation for loss of office (2018: £nil).

Employees

The company has 1 employee (2018: none). Staff costs amounted to £56,000 comprising wages and salaries of £50,000 and social security costs of £6,000.

8. Pension scheme

- (i) The company operates a funded defined benefit pension scheme, the Sears Retail Pension Scheme, which provides pension benefits in retirement. The assets of the Scheme are held in a trustee-administered fund.

In March 2009 and November 2013, the Trustees entered into insurance contracts with Legal & General ("L&G") to cover most of the pensions in payment. The method that has been used for the treatment of these buy-in contracts, consistent with the method adopted in previous financial years is as follows:

- Overall assets have been taken as the value of the pension payments covered by the L&G policies on the FRS 102 basis plus the market value of invested assets. In particular, the asset value of the pension payments covered by the 2009 L&G policy is based on excess pensions increasing with RPI inflation capped at 5%. The asset value of the pension payments covered by the 2013 L&G policy is based on no increases to excess pensions whereas the liability value is calculated based on RPI inflation capped at 5%.
- Overall liabilities have been taken as the FRS 102 value of all the benefits payable to members (including the pensioners covered by the L&G policies) unadjusted.

The second November 2013 L&G contract does not cover future increases in respect of benefits in excess of GMP. At the current time, the Scheme retains the liability for paying benefits in respect of future pension increases in excess of GMP increases. Under the terms of the contract, the Scheme has the option to extend the coverage to include future pension increases on terms set out therein.

The most recent comprehensive actuarial valuation of the Scheme was as at 5 April 2016. The Scheme's liabilities as at 31 January 2019 have been estimated by projecting the liabilities from the annual funding update as at 5 April 2016 based on the membership data as at the same date, adjusted for relevant cash flows between 5 April 2016 and 31 January 2019.

No contributions are expected to be paid to the Scheme in the financial year ending 31 January 2020.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Pension scheme (continued)

(ii) The principal assumptions used by the actuaries at 31 January 2019 were:

	2019	2018
	%	%
Discount rate	2.55	2.50
RPI inflation	3.45	3.50
CPI inflation	2.45	2.50
Rate of increase in pensionable salaries	5.45	5.50
Rate of increase in pensions in payment		
(i) Pre 1997 excess	3.00	3.00
(ii) Post 1997 excess	3.15	3.15
Rate of increase in deferred pensions	2.45 or 5.00	2.50 or 5.00

A change in the trend of mortality increases over the past few years has become more established. At 31 January 2019 therefore, the post-retirement mortality assumptions used were based on projection model CMI 2017, the latest model published as at 31 January 2019 (31 January 2018: SAPS S2 Normal table with a multiplier of 100% for each member's year of birth). Future improvements are in accordance with CMI 2017 Core Projections Model (2018: CMI 2015 Core Projections Model) with a long term trend rate of improvement of 1.6% pa.

(iii) The components of the benefit expense recognised in profit or loss are as follows:

	2019	2018
	£m	£m
Current service cost	2.0	1.0
Guaranteed Minimum Pensions equalisation expense	5.2	-
Benefit expense	7.2	1.0
Actual return on Scheme assets	-	56.0

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Pension scheme (continued)

(iv) Reconciliation of present value of Scheme liabilities

	2019	2018
	£m	£m
Obligation at 1 February	939.0	921.0
Interest cost	23.0	24.0
Remeasurement of the defined benefit obligation	(42.0)	29.0
Scheme introductions, changes, curtailments and settlements	5.2	-
Benefits paid	(28.0)	(35.0)
Obligation at 31 January	897.2	939.0

(v) Reconciliation of fair value of Scheme assets

	2019	2018
	£m	£m
Assets at 1 February	942.0	922.0
Interest income on scheme assets	23.0	24.0
Return on scheme assets (less)/greater than discount rate	(23.0)	32.0
Benefits paid	(28.0)	(35.0)
Administrative expenses paid	(2.0)	(1.0)
Assets at 31 January	912.0	942.0

The fair value of assets in the Scheme was as follows:

	2019	2018
"On-risk" portfolio	43%	43%
"Off-risk" portfolio	29%	29%
Annuity policy	28%	28%
	100%	100%

As at 31 January 2019, the Scheme's investments consisted of an "off-risk" portfolio, consisting of bonds, cash, swaps and credit, with essentially the characteristics of a bond portfolio, an "on-risk" portfolio, consisting of equities, property and a range of other assets designed to provide outperformance against the "off-risk" portfolio, and two annuity policies with L&G in respect of the 2009 and 2013 pensioner buy-in policies.

The Scheme does not hold any of the company's financial instruments, nor any property occupied by or other assets used by the company.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Pension scheme (continued)

(vi) The net pension asset is analysed as follows:

	2019	2018
	£m	£m
Total assets	912.0	942.0
Scheme liabilities	(897.2)	(939.0)
Surplus	14.8	3.0
Irrecoverable surplus	(14.8)	(3.0)
Net pension asset	-	-

At 31 January 2019 and 31 January 2018, the surplus of the Scheme's assets over its liabilities has not been recognised as a defined benefit plan asset in accordance with FRS 102 paragraph 28.22. In the directors' interpretation of the Scheme's Rules, augmentation of members' benefits up to Inland Revenue limits is a prior requirement in the application of any surplus remaining after all members' benefit entitlements have been secured. Consequently, the directors' are of the view that the likelihood of its recoverability to any extent by the employer is remote.

(vii) Analysis of amount recognised in other comprehensive income

	2019	2018
	£m	£m
Actuarial gain/(loss) arising in the financial year	42.0	(29.0)
Return on scheme assets (less)/greater than discount rate	(23.0)	32.0
Change in irrecoverable pension plan surplus	(11.8)	(2.0)
Remeasurement of pension scheme obligation	7.2	1.0

9. Investments

Subsidiary undertakings at valuation:

	2019	2018
	£m	£m
Book value at 1 February	1.0	1.0
Revaluation movement in the year	(1.0)	-
Book value at 31 January	-	1.0

The original cost to the company of shares in subsidiary undertakings was £0 million (2018: £0 million). During the year, a dividend of £1 million was received from a subsidiary company and the value of the investment has accordingly reduced by an equal amount as shown above.

Subsidiary undertakings are listed in note 14.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Debtors

	2019	2018
	£m	£m
Amounts owed by group undertakings	409.1	409.1
Prepayments and accrued income	-	0.1
	409.1	409.2

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

11. Creditors: amounts falling due within one year

	2019	2018
	£m	£m
Amounts owed to group undertakings	-	1.0
	-	1.0

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

12. Provisions for liabilities

Retirement benefits:

	£m
Balance at 1 February 2018	1.2
Movement in provision in year	-
Payments made in year	(0.1)
Balance at 31 January 2019	1.1

The provision relates to retirement benefits comprising the estimated liability of unfunded post-retirement benefits computed on FRS 102 assumptions.

13. Called up share capital

The authorised share capital of the company is £0 million (2018: £0 million).
Details of the share capital issued and fully paid are set out below:

	2019	2018
	£	£
40 (2018: 40) ordinary shares of £2.50 each	100	100

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Related undertakings

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries, the country of incorporation and effective percentage of ownership is disclosed below. The registered address of the subsidiaries is Third Floor, 86 Jermyn Street, London SW1Y 6JD.

Name	Class of shares held	% owned
S H Services Limited	Ordinary shares of £1 each	100%
Sears Pension Trustees Limited	Ordinary shares of £1 each	100%

Both entities are direct subsidiaries and dormant.

15. Ultimate controlling party

The immediate holding company is January Investments Limited, a company incorporated in England which the directors regard as being ultimately controlled by Sir David Barclay and Sir Frederick Barclay Family Settlements.

January Corporation Limited, a company incorporated in Jersey, is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 January 2019. January Investments Limited is the smallest group of undertakings to consolidate these financial statements.