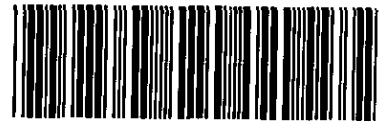


Littlewoods Clearance Limited
Annual Report and Financial Statements
for the 52 weeks ended 1 July 2023

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Littlewoods Clearance Limited

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Littlewoods Clearance Limited

Company Information

Directors

A S Barclay
H M Barclay
D W Kershaw
P L Peters

Registered office

First floor, Skyways House
Speke Road
Speke
Liverpool
L70 1AB

Littlewoods Clearance Limited

Strategic Report for the 52 weeks ended 1 July 2023

The directors present their Strategic Report for the 52 weeks ended 1 July 2023. The directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

This set of financial statements for the 52 weeks ended 1 July 2023 has been prepared in accordance with The Reduced Disclosure Framework (FRS 101).

Principal activity

The activity of the company is that of a holding company.

Review of the business

The company holds a restructuring provision in respect of site closures following the cessation of trade in 2019.

The directors manage The Very Group Limited's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business. Accordingly, the principal risks and uncertainties of The Very Group Limited Group, which include those of the company, are discussed in The Very Group Limited's annual report which does not form part of this report.

Principal risks and uncertainties

There are no principal risks or uncertainties evident for the company following the cessation of trade during a previous financial period.

Going concern

As a result of the company ceasing to trade, the financial statements have been prepared on a basis other than going concern.

Assets and liabilities are measured at their net realisable value and classified as current. Realisable value is based on the proceeds receivable on disposal less costs as detailed in the accounting policies noted below. The value of liabilities is their expected settlement amount as detailed in the accounting policies noted below. Any gains or losses resulting from measuring assets and liabilities to the net realisable value are recognised in profit or loss.

In adopting a basis other than going concern, the directors have continued to apply the disclosure requirements of the standards.

Approved and authorised for issue by the Board on 20th March 2024 and signed on its behalf by:



.....
D W Kershaw
Director

Littlewoods Clearance Limited

Directors' Report for the 52 weeks ended 1 July 2023

The directors present their report and unaudited financial statements for the 52 weeks ended 1 July 2023.

Matters disclosed in the Strategic Report

The following items which are required under s416 of the Companies Act 2006 have been disclosed in the Strategic Report:

- The business review
- Discussion of principal risks and uncertainties

Directors of the company

The directors, who held office during the period and to the date of this report, were as follows:

A S Barclay
H M Barclay
D W Kershaw
P L Peters

Dividends

The directors do not recommend the payment of a dividend (2022: same). There were no dividends paid during the current financial period (2022: same).

Events since the balance sheet date

There have been no events since the balance sheet date that require disclosure or adjustment in the financial statements.

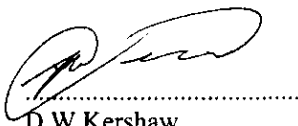
Going concern

The directors' considerations regarding the going concern assumption are detailed in the Strategic Report.

Elective resolutions

The company has passed elective resolutions to dispense with the holding of general meetings and for the laying of the annual report and financial statements before the company in general meetings, until such time as the elections are revoked.

Approved by the Board on 20th March 2024 and signed on its behalf by:



D W Kershaw
Director

Littlewoods Clearance Limited

Statement of Directors' Responsibilities

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), including FRS 101 "Reduced Disclosure Framework". 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;
- 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Littlewoods Clearance Limited**Balance Sheet as at 1 July 2023**

	Note	1 July 2023 £ 000	2 July 2022 £ 000
Current liabilities			
Creditors: Amounts falling due within one period	8	(638)	(634)
Lease liabilities	9	(45)	(45)
		<u>(683)</u>	<u>(679)</u>
Net current liabilities		<u>(683)</u>	<u>(679)</u>
Provisions for liabilities	7	<u>(127)</u>	<u>(131)</u>
Net liabilities		<u>(810)</u>	<u>(810)</u>
Capital and reserves			
Called up share capital	6	21,000	21,000
Other reserves		16,348	16,348
Profit and loss account		<u>(38,158)</u>	<u>(38,158)</u>
Shareholder's deficit		<u>(810)</u>	<u>(810)</u>

The company has not traded throughout the accounting reference 52 weeks ended 1 July 2023 or 52 weeks ended 2 July 2022 and accordingly no profit and loss account or statement of comprehensive income has been prepared.

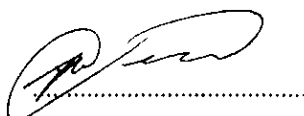
For the period ending 1 July 2023, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The notes on pages 6 to 11 form an integral part of these financial statements.

Approved and authorised for issue by the Board on 20th March 2024 and signed on its behalf by:



D W Kershaw

Director

Littlewoods Clearance Limited

Notes to the Financial Statements for the 52 weeks ended 1 July 2023

1 General information

Littlewoods Clearance Limited ('the company') is a private company limited by share capital incorporated under the Companies Act 2006, it is registered and domiciled in England and Wales.

The address of its registered office is:

First floor, Skyways House

Speke Road

Speke

Liverpool

L70 1AB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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 periods presented, unless otherwise stated.

Basis of preparation

The company meets the definition of a qualifying entity under FRS 100 (Application of Financial reporting Requirements) issued by the Financial Reporting Council. The financial statements have been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as they apply on a basis other than going concern.

The financial statements are drawn up to the Saturday nearest to 30 June, or to 30 June where this falls on a Saturday. The current financial year relates to the 52 week period ended Saturday 1 July 2023 (2022: 52 week period ended Saturday 2 July 2022).

The nature of the company's operations is set out in the Strategic Report on page 2.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

Basis other than going concern

Littlewoods Clearance Limited ceased trading during a prior financial period. As such, the going concern basis of preparation is not appropriate and accordingly, the financial statements are prepared on a basis other than that of a going concern.

Assets and liabilities are measured at their net realisable value and classified as current. Realisable value is based on the proceeds receivable on disposal less costs as detailed in the accounting policies noted below. The value of liabilities is their expected settlement amount as detailed in the accounting policies noted below. Any gains or losses resulting from measuring assets and liabilities to the net realisable value are recognised in profit or loss.

In adopting a basis other than going concern, the directors have continued to apply the disclosure requirements of the standards.

Summary of disclosure exemptions

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of a cash-flow statement, standards not yet effective and transactions with related party and key management personnel. Where relevant, equivalent disclosures have been included in the group accounts of The Very Group Limited which are available to the public at www.theverygroup.com.

As the company is a wholly owned subsidiary of The Very Group Limited through an intermediate company, it is exempt under S400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

Littlewoods Clearance Limited

Notes to the Financial Statements for the 52 weeks ended 1 July 2023

2 Accounting policies (continued)

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 4 July 2022 have had a material effect on the financial statements.

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When some of the economic benefits required to settle a provision are expected to be recovered from a third party, the provision is reduced by this amount.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax; this is £nil in the period (2022: £nil).

Current tax

The tax currently receivable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Current tax, including 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.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Financial assets and liabilities

Classification

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs.

Littlewoods Clearance Limited

Notes to the Financial Statements for the 52 weeks ended 1 July 2023

2 Accounting policies (continued)

Financial assets and liabilities (continued)

Classification (continued)

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities, including borrowings, are initially measured at fair value.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Recognition and measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

Leases

At the inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease, if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The company recognises a right-of-use asset and a lease liability at the lease commencement date which is the date at which the asset is made available for use by the company.

The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, restoration costs and lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or rate known at the commencement date, payments for a purchase option, payments for an optional renewal period and termination option payments if the company is reasonably certain to exercise those options.

The lease term is the non-cancellable period of the lease adjusted for any renewal or termination options which are reasonably certain to be exercised. Management applied judgement in determining whether it is reasonably certain that a renewal or termination option will be exercised. Management applied judgement in determining whether it is reasonably certain that a renewal or termination option will be exercised. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

Littlewoods Clearance Limited

Notes to the Financial Statements for the 52 weeks ended 1 July 2023

2 Accounting policies (continued)

Financial assets and liabilities (continued)

Leases (continued)

The lease payments are discounted using the interest implicit in the lease or where this cannot be readily determined, the lessee's incremental borrowing rate which is assumed to be 6.5%.

After the commencement date, the lease liability is measured at amortised cost using the effective interest rate method. It is remeasured if there is a modification, a change in future lease payments arising from a change in an index or rate, or if the company changes its assessment of whether it is reasonably certain to exercise an option within the contract.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgments that are relevant for the company.

4 Staff costs

The company has no employees (2022: same). The directors did not receive any emoluments for their services to the company during the 52 weeks ended 1 July 2023 (2022: same). Directors' emoluments are borne by other group companies and are not recharged (2022: same).

5 Taxation

	2023 £'000	2022 £'000
Total current tax	-	-
Total deferred tax charge	-	-
Total tax charge in the income statement	-	-

The tax on the loss before tax for the period is higher than the standard rate of corporation tax in the UK (2022 – the same as the standard rate of corporation tax in the UK) of 20.5% (2022:19.0%). There is no tax charge or credit in either period.

In the March 2021 Budget, the Government announced, with effect from 1st April 2023, an increase in the main rate of corporation tax from 19% to 25%. The Finance Bill 2021 was substantively enacted on 24th May 2021. There are no timing differences on which deferred tax should be provided (2022: same) and hence the increase in the corporation tax rate has no current impact on these financial statements.

Littlewoods Clearance Limited

Notes to the Financial Statements for the 52 weeks ended 1 July 2023

5 Taxation (continued)

The differences are reconciled below:

	2023 £ 000	2022 £ 000
Profit before tax	-	-
Corporation tax at standard rate of 20.5% (2022: 19%)	-	-
Expenses not deductible	-	1
Group relief surrendered for no payment	-	(1)
Total tax charge	-	-

Analysis of unrecognised deferred tax asset/(liability)

Deferred tax not recognised movement during the period:

	2023 £ 000	2022 £ 000
Tax losses carry-forwards	692	692
Short term timing differences	33	33
Total deferred tax asset not recognised	725	725

The deferred tax asset has not been recognised as it is not considered to be recoverable in future periods.

6 Share capital

Allotted, called up and fully paid shares

	2023 No. 000	£ 000	2022 No. 000	£ 000
Ordinary shares of £1 each	21,000	21,000	21,000	21,000

7 Provisions for liabilities

	Dilapidations £ 000
At 3 July 2022	131
Utilised during the period	(4)
At 1 July 2023	127

The provision consists of £127,000 (2022: £131,000) in relation to dilapidations. It is estimated that the provision will be utilised by the financial period ended 27 June 2026.

Littlewoods Clearance Limited

Notes to the Financial Statements for the 52 weeks ended 1 July 2023

8 Creditors: amounts falling due within one period

	2023	2022
	£ 000	£ 000
Amounts due to group undertakings	638	634

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

9 Leases

Amounts recognised in the Balance Sheet

The amounts included within obligations under finance leases are as follows:

	2023	2022
	£ 000	£ 000
Lease liabilities:		
Due within 1 year	45	45
	45	45

The right of use asset was valued at £nil on adoption of IFRS 16 given that the lease was previously recognised as onerous when the company ceased to trade. As a result, there are no amounts disclosed in the Profit and Loss Account for the periods ended 1 July 2023 or 2 July 2022.

10 Parent and ultimate parent undertaking

The immediate holding company is The Very Group Limited, a company registered in England and Wales.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Shop Direct Holdings Limited, incorporated in England and Wales.

The address of Shop Direct Holdings Limited is: 4th Floor St Albans House, 57- 59 Haymarket, London, England, SW1Y 4QX.

Shop Direct Holdings Limited is controlled by Sir David Barclay and Sir Fredrick Barclay Family Settlements.

The parent of the smallest group in which these financial statements are consolidated is The Very Group Limited, incorporated in England and Wales.

The address of The Very Group Limited is: First Floor, Skyways House, Speke Road, Speke, Liverpool, L70 1AB.