

Cardpad Limited

Annual Report and Financial Statements

For the year ended 31 December 2021

**Registered number
04115596**



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Cardpad Limited

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Cardpad Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2021. This report has been prepared in accordance with the special provisions relating to small companies under Section 415a of the Companies Act 2006.

Principal Activities and Business Review

The Company's principal activity continues to be the holding of freehold and leasehold property. No changes in the business are expected in the foreseeable future.

Going Concern

The Directors have made enquiries into the adequacy of the Company's financial resources, through a review of the current financial projections and the financing facilities available to the Company. In assessing going concern, the Directors have considered a number of factors, including the response to COVID-19 by the Company, the current balance sheet position and available liquidity and the principal and emerging risks which could impact the performance of the Company. Further disclosure on the impact and response to COVID-19 is available in the Coats Group plc 2021 annual report. The Company's forecasts and projections take account of reasonably possible changes in trading performance. Giving due consideration to the financial resources available to the Company, the Directors believe it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Post Balance Sheet Events

There are no significant post balance sheet events.

Results and Dividends

The loss for the year after taxation amounted to £12,730 (2020: £12,730). No dividends were paid during the year (2020: £nil).

Financial Risk Management

Financial risks are monitored on an ongoing basis but the Company does not enter into any hedging activity and does not use financial instruments in this regard. Full disclosure of the use of financial instruments by Coats Group plc, the ultimate parent undertaking, is given in Coats Group plc's latest consolidated financial statements, which are publicly available.

Directors

The directors who served throughout the year and thereafter were as follows:

A. Kermalli
J. Gunningham
E. Macdonald
N. J. Kidd
R. Reade

The Company's ultimate parent Company, Coats Group plc provides certain protections for Directors and officers of companies within the Coats Group plc group against personal financial exposure that they may incur in the course of their professional duties.

Auditor

In the case of each of the persons who are directors of the Company at the date when this report is approved:

- * so far as each of the directors is aware, there is no relevant audit information (as defined by the Companies Act 2006) of which the Company's auditor is unaware and;
- * each of the directors has taken all the steps that they ought to take as a director to make themselves aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Pursuant to Section 487 of the Companies Act 2006, the auditors, Deloitte LLP, have been reappointed and will continue in office as auditors of the company.

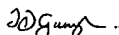
Directors' Responsibilities Statement

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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments 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 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.

By order of the Board



J. Gunningham
Director

23-May-22

Registered office:

4 Longwalk Road, Stockley Park, Uxbridge, UB11 1FE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARDPAD LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Cardpad Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARDPAD LIMITED (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit, and the Coats Group plc audit and risk committee about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations, pensions, IT, and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

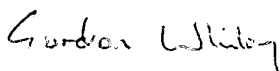
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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.



Gordon Whiley FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
25 May 2022

Cardpad Limited

Profit and Loss Account

		2021	2020
For the Year ended 31 December 2021	Notes	£	£
Operating expenses	3	(12,730)	(12,730)
Loss before taxation		(12,730)	(12,730)
Tax on loss	4	-	-
Loss for the year		(12,730)	(12,730)

All results derive solely from continuing operations.

The notes on pages 8 to 10 form part of these financial statements.

The Company has no other comprehensive income attributable to equity shareholders of the Company in the year or the preceding year and accordingly no statement of comprehensive income is presented.

Cardpad Limited

Balance Sheet

As at 31 December 2021	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	5	<u>369,168</u>	<u>381,898</u>
CURRENT ASSETS			
Debtors	6	<u>1,891,189</u>	<u>1,891,189</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	7	<u>(1,281,026)</u>	<u>(1,281,026)</u>
NET CURRENT ASSETS		<u>610,163</u>	<u>610,163</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>979,331</u>	<u>992,061</u>
NET ASSETS		<u>979,331</u>	<u>992,061</u>
CAPITAL AND RESERVES			
Called up share capital	8	1	1
Profit and loss account		<u>979,330</u>	<u>992,060</u>
EQUITY SHAREHOLDER'S FUNDS		<u>979,331</u>	<u>992,061</u>

The financial statements of Cardpad Limited, registered number 04115596, were approved by the Board of Directors and authorised for issue on 23 May 2022.



J. Gunningham
Director

The notes on pages 8 to 10 form part of these financial statements.

Cardpad Limited

Statement of Changes in Equity

	Share capital £	Profit and loss account £	Total £
For the Year ended 31 December 2021			
At 1 January 2020	1	1,004,790	1,004,791
Loss and total comprehensive expense for the year	-	(12,730)	(12,730)
At 31 December 2020	1	992,060	992,061
Loss and total comprehensive expense for the year	-	(12,730)	(12,730)
At 31 December 2021	1	979,330	979,331

The notes on pages 8 to 10 form part of these financial statements.

Cardpad Limited

Notes to Financial Statements

For the Year ended 31 December 2021

1 Accounting Policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

1 a) General information and basis of accounting

Cardpad Limited is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office of the company is set out on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The financial statements are prepared and presented in GBP.

Cardpad Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Cardpad Limited is consolidated in the financial statements of its ultimate parent, Coats Group plc.

The address of the registered office of Coats Group plc, is set out in note 10. Disclosure exemptions have been taken in these separate Company financial statements in relation to financial instruments, the presentation of a cash flow statement and remuneration of key management personnel.

1 b) Taxation

Corporation tax payable is provided on taxable profits using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date, except to the extent that the losses are transferred from another group company under the group relief provisions, without corresponding payment by the claimant company.

1 c) Tangible assets

The Company's tangible assets are stated at cost of acquisition less impairment provisions and accumulated depreciation. Impairment provisions are determined by comparing the carrying value of the investment with its recoverable amount. The recoverable amount is the higher of the amount that can be obtained from selling the asset or the value of expected cash flows arising from holding the asset, discounted at the rate of return that the market would expect from an equally risky asset. The properties are presently unoccupied.

1 d) Depreciation

Depreciation is provided on all tangible assets, including properties, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold land and buildings	- 50 years
Leasehold land and buildings	- life of lease, or 50 years if shorter
Furniture, fittings and equipment	- 10 years

1 e) Going concern

The Directors have made enquiries into the adequacy of the Company's financial resources, through a review of the current financial projections and the financing facilities available to the Company. In assessing going concern, the Directors have considered a number of factors, including the response to COVID-19 by the Company, the current balance sheet position and available liquidity and the principal and emerging risks which could impact the performance of the Company. Further disclosure on the impact and response to COVID-19 is available in the Coats Group plc 2021 annual report. The Company's forecasts and projections take account of reasonably possible changes in trading performance. Giving due consideration to the financial resources available to the Company, the Directors believe it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

1 f) Financial instruments

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Cardpad Limited

Notes to Financial Statements

For the Year ended 31 December 2021

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, 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.

The Directors do not believe there to be any critical accounting judgements or key sources of estimation uncertainty.

3	Operating expenses	2021 £	2020 £
	Operating expenses include:		
	Depreciation	12,730	12,730
		<u>12,730</u>	<u>12,730</u>

The directors received no remuneration for their services to the company (2020: £nil). There were no other persons employed by the Company in the year (2020: nil).

Auditor's remuneration for the audit of the Company's annual accounts was £1,715 (2020: £1,715) and are borne by the Company's parent undertaking.

4	Taxation	2021 £	2020 £
	<i>Current tax:</i>		
	UK corporation tax at 19% (2020: 19%)	-	-
	The current tax expense differs from the standard rate of corporation tax in the UK of 19% (2020: 19%)		
	The differences are explained below:		
		2021 £	2020 £
	Loss before taxation	12,730	12,730
	Loss multiplied by standard rate of tax in the UK of 19% (2020: 19%)	(2,419)	(2,419)
	Expenses not deductible for tax purposes	2,419	2,419
	TOTAL TAX CHARGE	<u>-</u>	<u>-</u>

On 3 March 2021 the government announced an increase to the main UK corporation tax rate from April 2023 to 25%. This change was substantively enacted on 24 May 2021. Therefore at 31 December 2021, unprovided amounts of deferred tax assets and liabilities have been calculated based on rates of 25%.

Cardpad Limited

Notes to Financial Statements

For the Year ended 31 December 2021

5 Fixed Assets

	Freehold land and buildings £	Long leasehold land and buildings £	Furniture, fittings & equipment £	Total £
COST				
At 1 January 2021 and At 31 December 2021	374,746	261,752	3,736	640,234
DEPRECIATION				
At 1 January 2021	149,900	104,700	3,736	258,336
Expense for the year	7,495	5,235	-	12,730
At 31 December 2021	157,395	109,935	3,736	271,066
NET BOOK VALUE				
At 31 December 2021	217,351	151,817	-	369,168
At 31 December 2020	224,846	157,052	-	381,898

6 Debtors: Amounts falling due within one year	2021	2020
	£	£
Amounts owed by parent undertaking	1,891,189	1,891,189

The amounts due to the company above are repayable on demand and non-interest bearing.

7 Creditors: Amounts falling due within one year	2021	2020
	£	£
Amounts owed to fellow subsidiary undertaking	(1,281,026)	(1,281,026)

The amount due to a fellow group company above is repayable on demand and is non-interest bearing.

8 Called up share Capital	2021	2020
	£	£
Called up, allotted, issued and fully paid 1 (2020: 1) Ordinary Share of £1 each	1	1

9 Related Parties

The Company has taken advantage of the exemption in FRS 102 33.1A not to disclose transactions with entities 100% of whose voting rights are controlled within the Group.

10 Controlling Parties

The Company's immediate parent is GPG (UK) Holdings Limited, a company incorporated in the UK and registered in England and Wales, which owns 100% of the issued share capital. The smallest and largest group for which consolidated accounts are prepared is Coats Group plc. Coats Group plc is the ultimate parent company of GPG (UK) Holdings Limited and the ultimate controlling party of the Company.

Copies of the accounts of Coats Group plc for the year ended 31 December 2021 are available from: The Company Secretary, 4 Longwalk Road, Stockley Park, Uxbridge, UB11 1FE.

11 Post Balance Sheet Events

There are no significant post balance sheet events.