

Registration number: 05502542

Marks and Spencer 2005 (Chester Store) Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 2 April 2022

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Marks and Spencer 2005 (Chester Store) Limited

Directors' Report for the Year Ended 2 April 2022

The directors present their report and the unaudited financial statements for the year ended 2 April 2022.

Directors' of the Company

The directors, who held office during the year, were as follows:

Nick Folland

Andrew Turton

Adam Dobbs

Principal activity

The principal activity of the company is holding property on behalf of Marks and Spencer plc to enable Marks and Spencer plc to carry out its retailing activities. The directors consider that in the conditions prevailing during the year, the development of the Company's business and its financial position at the end of the year were satisfactory. The directors do not expect any development in the Company's business in the coming year that is significantly different from its present activities of holding property.

Marks and Spencer 2005 (Chester Store) is a limited company incorporated and domiciled in England and Wales. The Company's registered office is Waterside House, 35 North Wharf Road, London W2 1NW.

The financial statements are made up to the nearest Saturday to 31 March each year. The current financial year is the 52 weeks ended 2 April 2022 (the 'year').

Strategic report

Exemption has been taken from preparing a strategic report in line with S414b of the Companies Act 2006.

Dividends

The directors recommend a final dividend payment of £Nil (last year £Nil) be made in respect of the financial year ended 2 April 2022.

Directors' liabilities

Marks and Spencer Group plc maintains directors' and officers' liability insurance which gives appropriate cover for any legal action brought against its directors and those directors of its subsidiaries companies. Indemnities have been granted to the Company's directors by Marks and Spencer Group plc to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies act 2006) were in force during the year ended 2 April 2022 and remain in force, in relation to certain losses and liabilities which the directors may incur to third parties in the course of acting as directors of the Company.

Marks and Spencer 2005 (Chester Store) Limited

Directors' Report for the Year Ended 2 April 2022

Statement of Directors' Responsibilities

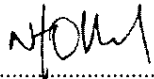
The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors are required to prepare the Company financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards as adopted by the UK. 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the UK 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.

Approved by the Board on 20 December 2022 and signed on its behalf by:



.....
Nick Folland
Director

Marks and Spencer 2005 (Chester Store) Limited

Income Statement for the Year Ended 2 April 2022

		52 weeks to 2 April 2022 £ 000	53 weeks to 3 April 2021 £ 000
	Note		
Revenue		-	-
Operating profit/(loss)		-	-
Finance costs	5	(70)	(77)
Loss before tax		(70)	(77)
Income tax expense	6	(2)	-
Loss for the year		(72)	(77)

The above results were not derived from continuing operations.

Marks and Spencer 2005 (Chester Store) Limited

(Registration number: 05502542)

Statement of Financial Position as at 2 April 2022

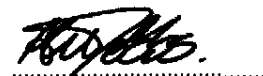
	Note	As at 2 April 2022 £ 000	As at 3 April 2021 £ 000
Assets			
Current assets			
Trade and other receivables	9	<u>5,000</u>	<u>5,000</u>
Equity and liabilities			
Equity			
Share capital	8	(10)	(10)
Share premium		(13,263)	(13,263)
Retained earnings		<u>14,348</u>	<u>14,276</u>
Total equity		1,075	1,003
Current liabilities			
Trade and other payables	9	<u>(6,075)</u>	<u>(6,003)</u>
Total equity and liabilities		<u>(5,000)</u>	<u>(5,000)</u>

For the financial year ending 2 April 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 20 December 2022 and signed on its behalf by:



Adam Dobbs
Director

Marks and Spencer 2005 (Chester Store) Limited

Statement of Changes in Equity for the Year Ended 2 April 2022

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 4 April 2021	10	13,263	(14,276)	(1,003)
Loss for the year	-	-	(72)	(72)
Total comprehensive income	-	-	(72)	(72)
At 2 April 2022	<u>10</u>	<u>13,263</u>	<u>(14,348)</u>	<u>(1,075)</u>

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 29 March 2020	10	13,263	(14,199)	(926)
Loss for the year	-	-	(77)	(77)
Total comprehensive income	-	-	(77)	(77)
At 3 April 2021	<u>10</u>	<u>13,263</u>	<u>(14,276)</u>	<u>(1,003)</u>

Marks and Spencer 2005 (Chester Store) Limited

Notes to the Unaudited Financial Statements for the Year Ended 2 April 2022

1 Accounting policies

Basis of preparation

The financial statements have been prepared for the 52 weeks ended 2 April 2022 (last year: 53 weeks ended 3 April 2021) in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements have been prepared on a basis other than that of a going concern. In adopting the going concern basis, the directors have considered the business activities as set out on page 1.

The Company has applied the following new standards and interpretations for the first time for the annual reporting period commencing 4 April 2021:

- Amendments to IFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021.
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform Phase 2

The adoption of the standards and interpretations listed above has not led to any changes to the Company's accounting policies or had any other material impact on the financial position or performance of the Company.

New standards and interpretations that are in issue but not yet effective are listed below:

- Amendments to IAS 16: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to IFRS 3: Reference to the Conceptual Framework
- Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract
- Annual Improvements to IFRS Standards 2018-2020 Cycle: Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41 Agriculture
- IFRS 17 Insurance Contracts
- Amendments to IAS 1: Classification of Liabilities as Current or Non-Current
- Amendments to IAS 12: Deferred Tax Related to Assets and Liabilities arising from a Single Transaction
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 8: Definition of Accounting Estimates
- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies

The adoption of the above standards and interpretations is not expected to lead to any changes to the Company's accounting policies or have any other material impact on the financial position or performance of the Company.

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Notes to the Unaudited Financial Statements for the Year Ended 2 April 2022

Accounting convention

The financial statements are drawn up on a basis other than that of a going concern. The Company's accounting policies have been consistently applied throughout the year.

Revenue recognition

Revenue represents rent receivable from another group undertaking which is recognised on an accruals basis.

Tax

Tax is recognised in the income statement, except to the extent it relates to items recognised in other comprehensive income or directly in equity, in which case the related tax is also recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Property, plant and equipment

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and any recognised impairment loss. Property is not revalued for accounting purposes. Assets in the course of construction are held at cost less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Residual values and useful economic lives are reviewed annually. Depreciation is charged on all additions to, or disposals of, depreciating assets in the year of purchase or disposal. Any impairment value is recognised immediately in the income statement.

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.

Statement of cash flows

There were no cash movements for the Company as all transactions were settled using intercompany loans and current accounts and therefore no statement of cash flows is presented in these accounts.

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Notes to the Unaudited Financial Statements for the Year Ended 2 April 2022

Financial assets and liabilities

Recognition and measurement

Loans to other Group undertakings and all other receivables are non-derivative financial assets, initially recognised at fair value, then subsequently carried at amortised cost. All receivables from other Group undertakings are not considered to be overdue or impaired.

Loans from other Group undertakings and all other payables are initially recorded at fair value, which is generally the proceeds received. They are then subsequently carried at amortised cost. All payables to other Group undertakings are repayable on demand.

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements under IFRS requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. There are no critical accounting judgements and key sources of estimation uncertainty.

3 Employee information

The Company had no employees during the year (last year none).

4 Directors' remuneration

Directors remuneration in respect of their services to the Company during the year was £0 (last year £0).

5 Finance costs

	52 weeks to 2 April 2022 £ 000	53 weeks to 3 April 2021 £ 000
Finance costs		
Interest charge from a related party	<u>(70)</u>	<u>(77)</u>

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Notes to the Unaudited Financial Statements for the Year Ended 2 April 2022

6 Income tax

Tax charged in the income statement

	52 weeks to 2 April 2022 £ 000	53 weeks to 28 March 2021 £ 000
Current taxation		
UK corporation tax adjustment to prior periods	<u>2</u>	<u>-</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	52 weeks to 2 April 2022 £ 000	53 weeks to 3 April 2021 £ 000
Loss before tax	<u>(70)</u>	<u>(77)</u>
Corporation tax at standard rate	(13)	(15)
Increase (decrease) in current tax from adjustment for prior periods	2	-
Increase (decrease) arising from group relief tax reconciliation	<u>13</u>	<u>15</u>
Total tax charge	<u>2</u>	<u>-</u>

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Notes to the Unaudited Financial Statements for the Year Ended 2 April 2022

7 Non-cash movements

The Company does not have a bank account. All transactions are settled using intercompany loans and current accounts. The movements for the year comprise the following:

	52 weeks to 2 April 2022	53 weeks to 3 April 2021
	£ 000	£ 000
Loss before tax	(70)	(77)
Interest payable to another group undertaking	70	77
Funds generated from operations	-	-
Funds from operating activities		
Tax Paid	(2)	-
Net funds generated from operating activities	(2)	-
Funds from financing activities		
Interest paid	(70)	(77)
Net funds generated from financing activities	(70)	(77)
Net movement in intercompany balances	(72)	(77)

8 Share capital

Allotted, called up and fully paid shares

	As at 2 April 2022		As at 3 April 2021	
	No. 000	£ 000	No. 000	£ 000
Ordinary Shares of £1 each	10	10	10	10

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Notes to the Unaudited Financial Statements for the Year Ended 2 April 2022

9 Related party transactions

During the year, the Company had the following related party transactions and balances.

Income and receivables from related parties

	Other related parties £ 000
2022	
Amounts receivable from related party	5,000

	Other related parties £ 000
2021	
Amounts receivable from related party	5,000

Payables to related parties

	Parent £ 000
2022	
Amounts payable to related party	25

	Parent £ 000
2021	
Amounts payable to related party	70

Loans from related parties

	Parent £ 000
2022	
At start of year	5,933
Tax paid by Parent	53
Interest charged	64
At end of year	6,050

	Parent £ 000
2021	
At start of year	5,685
Tax paid by Parent	167
Interest charged	81
At end of year	5,933

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Notes to the Unaudited Financial Statements for the Year Ended 2 April 2022

Terms of loans from related parties

As at 2 April 2022, the £6,050,000 loan from another Group undertaking (last year £5,933,000) is interest bearing. The current accounts payable of £25,000 (last year £70,000) is non interest bearing. Overall the interest payable during the year was £64,000 (last year £81,000). Interest rates are set within individual intercompany loan agreements. The loan is interest bearing at SONIA plus anapplicable margin. This replaced the previous benchmarking (LIBOR plus margin) during the financial year. A 2% increase/decrease in the interest rate of the loan from another Group undertaking would result in a loss/gain of £121,000 in the income statement, before tax.

10 Parent and ultimate parent undertaking

The company's immediate parent is Marks and Spencer plc.

The most senior parent entity producing publicly available financial statements is Marks and Spencer Group plc. These financial statements are available upon request from the Company Secretary or are available on the website www.marksandspencer.com/thecompany

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Marks and Spencer Group plc, incorporated in the United Kingdom.

The address of Marks and Spencer Group plc is:
Waterside House, 35 North Wharf Road, London W2 1NW.

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