

Company Registration No. 05825842

CPW Irlam Limited

Report and Financial Statements

For the 13 month period ended 02 May 2015



CPW Irlam Limited

Report and financial statements 2015

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CPW Irlam Limited

Officers and professional advisors

Directors

N Langstaff (resigned 2 January 2015)
T Morris (resigned 7 January 2015)
A Sunderland (appointed 7 January 2015)
P James (appointed 2 January 2015)

Secretary

J Foo (Appointed 14 August 2015)
K Atterbury (appointed 20 March 2015, resigned 14 August 2015)

Registered office

1 Portal Way
London
W3 6RS

Bankers

HSBC Bank PLC
Level 19, 8 Canada Square
London
EC14 5HQ

CPW Irlam Limited

Strategic report

This strategic report has been prepared for CPW Irlam Limited and in preparing this strategic report the directors of the company have complied with s 414C of the Companies Act 2006

Principal activities

The principal activity of the company is the investment in and letting of commercial property. This company disposed of commercial property on 17 April 2014 and ceased trading after this date. The company is anticipated to remain non-trading for the foreseeable future.

The company is a wholly owned subsidiary of Dixons Carphone plc (formerly Carphone Warehouse Group plc).

Review of the business

The profit after taxation for the financial year was £193,000 (2014 – loss of £5,000).

The principal income for the company is rental income and the principal expenses are interest and depreciation. As such, the directors do not consider there to be any further key performance indicators.

On 6 August 2014, Carphone Warehouse Group plc (“Carphone”) completed an all-share merger with Dixons Retail plc (“Dixons”) (“the Merger”), after which the shareholders of Dixons and Carphone each held 50% of the group. Carphone remained the ultimate parent entity of the group but changed its name to Dixons Carphone plc. As a consequence of the Merger the Company changed its year end to be the Saturday closest to 30 April.

Principal risks and uncertainties

Due to the nature of the company’s business and the assets and liabilities contained within the company’s balance sheet, the main financial risk the directors consider relevant to this company is interest rate risk. Funding for all subsidiaries of Dixons Carphone plc, including CPW Irlam Limited, is arranged centrally. The group regularly monitors interest rate risk and does not trade or speculate in any financial instruments.



P James
Director

29 January 2016

CPW Irlam Limited

Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements for the 13 month period ended 02 May 2015

Dividends

The directors do not recommend the payment of a dividend for the year (2014 - £nil)

Going concern basis

The company disposed of commercial property on 17 April 2014 and therefore ceased trading after this date. As a result the directors have prepared the accounts on a basis other than the going concern basis as set out in note 1 to the financial statements. The company has received commitments from its parent company that it will provide financial support if required to ensure that the company can meet its liabilities as they fall due.

Directors

The directors who served throughout the year and subsequently, except as noted, are shown on page 1

Environment

A full analysis of the key regulatory and social risks of the industry in which Dixons Carphone plc operates is described in the group's annual report, which does not form part of this report. As a subsidiary entity, CPW Irlam Limited operates in accordance with group policies.

Donations

The company made no charitable or political donations in the year (2014 - £nil)

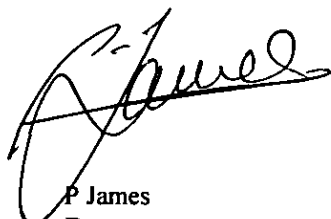
Audit exemption

For the period ended 02 May 2015 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 ("the Act") relating to subsidiary companies.

Directors' responsibilities

- the members have not required the company to obtain an audit of its accounts for the year 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 accounts

Approved by the board of directors and signed on its behalf by



P James
Director
29 January 2016

CPW Irlam Limited

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). 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 year. 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,
- 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 Act. 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.

CPW Irlam Limited

Profit and loss account

For the 13 month period ended 02 May 2015

| | | 13 months ended 02 May 2015 £'000 | Year ended 31 March 2014 £'000 |
|---|------|---|--|
| | Note | | |
| Turnover | 2 | 32 | 695 |
| Administrative expenses | | (107) | (332) |
| Operating (loss)profit | | (75) | 363 |
| Interest payable and similar charges | 3 | (16) | (346) |
| (Loss) profit on ordinary activities before taxation | 4 | (91) | 17 |
| Tax credit (charge) on (loss) profit on ordinary activities | 6 | 284 | (12) |
| Profit (loss) on ordinary activities after taxation | | 193 | 5 |

There are no recognised gains and losses in either year other than the profit for that year and therefore no statement of total recognised gains and losses has been presented All results for the year arise from discontinued activities

CPW Irlam Limited

Balance sheet As at 02 May 2015

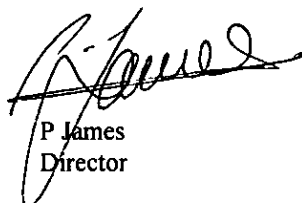
| | Note | 02 May 2015 £'000 | 31 March 2014 £'000 |
|---|------|-------------------------|---------------------------|
| Fixed assets | | | |
| Tangible assets | 7 | - | 8,501 |
| Current assets | | | |
| Cash and cash equivalents | | 162 | - |
| | | <u>162</u> | <u>-</u> |
| Current liabilities | | | |
| Creditors amounts falling due within one year | 8 | (66) | (8,278) |
| Net current assets(liabilities) | | <u>96</u> | <u>(8,278)</u> |
| Long term liabilities | | | |
| Provisions | 9 | - | (320) |
| Net liabilities | | <u>96</u> | <u>(97)</u> |
| Capital and reserves | | | |
| Called-up share capital | 10 | - | - |
| Profit and loss account | 11 | 96 | (97) |
| Total shareholders' deficit | 12 | <u>96</u> | <u>(97)</u> |

For the year ended 02 May 2015 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 year 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 accounts

The financial statements of CPW Irlam Limited, registration number 05825842, were approved by the board of directors and authorised for issue on 29 January 2016 They were signed on its behalf by


P James
Director

CPW Irlam Limited

Notes to the financial statements For the 13 month period ended 02 May 2015

1. Accounting policies

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

Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

The company has taken advantage of the exemption under FRS 1 not to prepare a cash flow statement on the grounds that it was a wholly owned subsidiary of Dixons Carphone plc, a company incorporated in Great Britain that prepares consolidated accounts that are publicly available.

Going concern

The company's activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 2.

The company sold its commercial property on 17 April 2014 and as a result ceased trading after the balance sheet date. The directors have therefore prepared the financial statements on a basis other than going concern. The company has received commitments from its parent company that it will provide financial support if required to ensure that the company can meet its liabilities as they fall due.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than land, once brought into use at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected life, as follows:

| | |
|-------------------|----------------|
| Freehold property | up to 50 years |
|-------------------|----------------|

Taxation

Current 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 is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

The taxation liabilities of certain group companies are reduced wholly or in part by the surrender or sale of losses by fellow group companies.

CPW Irlam Limited

Notes to the financial statements (continued) For the 13 months ended 02 May 2015

2. Turnover

Turnover comprises rental income which originates in the UK and is wholly attributable to the principal activity of the company and is recognised when earned

3. Interest payable and similar charges

| | 13 months ended 02 May 2015 £'000 | Year ended 31 March 2014 £'000 |
|-----------------------------|---|--|
| Interest on bank overdrafts | 16 | 346 |
| | <u>16</u> | <u>346</u> |

4 Profit (loss) on ordinary activities before taxation

Profit (loss) on ordinary activities before taxation is stated after charging the following

| | 13 months ended 02 May 2015 £'000 | Year ended 31 March 2014 £'000 |
|---------------------------------------|---|--|
| Depreciation of tangible fixed assets | - | 325 |
| | <u>-</u> | <u>325</u> |

The company is exempt from audit and hence no audit fee was paid or accrued in the current or prior period. The auditors did not provide any non-audit services to the company during the year (2014 - £nil)

5. Directors' remuneration and employees

The directors did not receive any remuneration in the year for services to the company (2014 - £nil)
The company had no employees in either year

CPW Irlam Limited

Notes to the financial statements (continued) For the 13 months ended 02 May 2015

6. Tax on (loss) profit on ordinary activities

| | 13 months ended 02 May 2015 £'000 | Year ended 31 March 2014 £'000 |
|---|---|--|
| The tax charge comprises | | |
| Current tax | | |
| UK corporation tax charge | - | 23 |
| Adjustments in respect of prior periods | 36 | - |
| Total current tax charge | <u>36</u> | <u>23</u> |
| Deferred tax | | |
| - capital allowances in excess of qualifying depreciation | (320) | 32 |
| - effect of movement in tax rate | - | (43) |
| Total deferred tax credit | <u>(320)</u> | <u>(11)</u> |
| Total tax (credit)charge on (loss) profit on ordinary activities | <u>(284)</u> | <u>12</u> |

The differences between the current tax charge of £36,000 (2014 - £23,000) and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

| | 13 months ended 02 May 2015 £'000 | Year ended 31 March 2014 £'000 |
|--|---|--|
| (Loss) profit on ordinary activities before tax | <u>(91)</u> | <u>17</u> |
| Tax on (loss) profit on ordinary activities at standard UK corporation tax rate of 20.92% (2014 - 23%) | (19) | 4 |
| Effects of | | |
| - non-qualifying depreciation | - | 74 |
| - capital allowances in excess of qualifying depreciation | 334 | (37) |
| - tax losses utilised within the group | (315) | (18) |
| - Adjustment in respect of prior periods | 36 | - |
| Total current tax charge | <u>36</u> | <u>23</u> |

The company's tax liability has been offset by the surrender of losses from other group companies under the group relief provisions. No payment has been made to the surrendering companies.

The standard rate of corporation tax reduced from 23% to 21% from 1 April 2014 and then was reduced further to 20% from 1 April 2015 in accordance with the Finance Act 2013. It was announced on 8 July 2015 that the Finance Bill 2015 would further reduce the standard rate of corporation tax to 19% from 1 April 2017 and to 18% effective from 1 April 2020. This was substantively enacted on 26 October 2015.

CPW Irlam Limited

Notes to the financial statements (continued) For the 13 months ended 02 May 2015

7 Tangible fixed assets

| | Freehold property £'000 |
|--------------------------------|-------------------------------|
| Cost | |
| At 1 April 2014 and 2 May 2015 | 9,811 |
| Disposal | (9,811) |
| | <hr/> |
| At 2 May 2015 | - |
| Depreciation | |
| At 1 April 2014 | 1,310 |
| Disposal | (1,310) |
| | <hr/> |
| At 02 May 2015 | - |
| | <hr/> |
| Net book value | |
| At 2 May 2015 | - |
| | <hr/> |
| At 31 March 2014 | 8,501 |
| | <hr/> |

On 17 April 2014 the company sold its commercial property for £8.5 million. At 02 May 2015 the property was held at the book value of £8.5 million so there was no profit or loss on disposal.

CPW Irlam Limited

Notes to the financial statements (continued) For the 13 months ended 02 May 2015

8. Creditors: amounts falling due within one year

| | 02 May 2015 £'000 | 31 March 2014 £'000 |
|---------------------------------------|-------------------------|---------------------------|
| Bank overdrafts | - | 7,926 |
| Interest on bank loans and overdrafts | - | 29 |
| Amounts due to group undertakings | 66 | 91 |
| Deferred income | - | 174 |
| VAT payable | - | 35 |
| Corporation tax payable | - | 23 |
| | <u>66</u> | <u>8,278</u> |

Bank accounts are part of a notional pooling mechanism whereby group borrowings are assessed in aggregate against group overdraft limits thus allowing subsidiary companies to borrow on overdraft or to deposit surplus cash via their own bank accounts. Interest is charged on overdrawn balances and paid on surplus cash at base rate plus 2.25% for overdrafts and base rate with no margin for surplus cash balances.

9. Provisions

| | Total £'000 |
|---|----------------|
| At 1 April 2014 | 320 |
| Amounts credited to the profit and loss account | (320) |
| At 02 May 2015 | <u>-</u> |

Provisions solely relate to a deferred tax liability which has been recognised for capital allowances claimed in excess of depreciation charged.

10. Called-up share capital

| | 02 May 2015 £'000 | 31 March 2014 £'000 |
|---|-------------------------|---------------------------|
| Called up, allotted and fully paid. 2 ordinary shares of £1 each | <u>-</u> | <u>-</u> |

CPW Irlam Limited

Notes to the financial statements (continued) For the 13 months ended 02 May 2015

11. Capital and Reserves

| | Called-up share capital £'000 | Profit and loss account £'000 | Total £'000 |
|-------------------------------|--|-------------------------------------|----------------|
| At 1 April 2014 | - | (97) | (97) |
| Profit for the financial year | - | 193 | 193 |
| At 02 May 2015 | - | 96 | 96 |

12. Reconciliation of movements in shareholders' deficit

| | Year ended 02 May 2015 £'000 |
|---------------------------------------|--|
| Profit for the financial year | 193 |
| Net movement in shareholders' deficit | 193 |
| Opening shareholders' deficit | (97) |
| Closing shareholders' deficit | 96 |

13. Parent undertaking and controlling party

The immediate and ultimate parent company of CPW Irlam Limited is Dixons Carphone plc, a company incorporated in Great Britain, whose principal place of business is at 1 Portal Way, London, W3 6RS

On 6 August 2014 the Company's ultimate parent, Carphone Warehouse Group plc, completed an all share merger with Dixons Retail plc, one of the leading specialist electrical multi-channel retailing and services groups in Europe, by way of a scheme of arrangement of Dixons Retail plc Carphone Warehouse Group plc changed its name to Dixons Carphone plc on the same date

The consolidated accounts of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ

CPW Irlam Limited

Notes to the financial statements (continued)

For the 13 months ended 02 May 2015

14. Related party transactions

The company has taken advantage of the exemption allowed by FRS 8 'Related Party Disclosures' not to disclose transactions with 100% group owned companies

During the year, the company had the following disclosable transactions with related parties

| | TalkTalk Telecom Group PLC & subsidiaries 2015 £'000 | TalkTalk Telecom Group PLC & subsidiaries 2014 £'000 |
|---------------|---|---|
| Rental income | 32 | 695 |