

FC Retail Services Limited

Directors' report and financial
statements

Registered number 06018193

31 March 2019



Contents

Directors' report	1
Statement of directors' responsibilities in respect of the directors' report and the financial statements	2
Independent auditor's report to the members of FC Retail Services Limited	3
Statement of Income and Retained Earnings	5
Balance Sheet	6
Notes	7

Directors' report

The directors present their report and the financial statements of the Company for the year ended 31 March 2019.

Principal activities

The principal activity of the company continues to be the provision of legal services. On 29 March 2019, the trade of FC Retail Services Limited was acquired by its ultimate holding company, Freeths LLP. The book value of assets transferred were £nil and the consideration paid was £nil, following the sale FC Retail Services Limited ceased trading.

Directors

The directors who served the Company during the year and up to the date of this report were as follows:

GK Berwick (resigned 30 September 2018)
RA Beverley
JOG Byrne
LD Clifford
PAS Dempster
CS Flanagan
KP Jansen
JDF Jefferies
A Khaliq
JP May
JM Middleton
CRS Powell
RG Rowley
P Smith
MJ Taplin
PD Thorogood

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

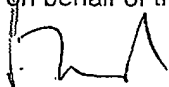
Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the directors.



PD Thorogood
Director

Registered Office:

Cumberland Court
80 Mount Street
Nottingham
NG1 6HH

Approved by the directors on 26 November 2019

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 1.2, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Independent auditor's report to the members of FC Retail Services Limited

Opinion

We have audited the financial statements of FC Retail Services Limited ("the company") for the year ended 31 March 2019, which comprise the statement of income and retained earnings, the balance sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 1 to the financial statements. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter – non-going concern basis of preparation

We draw attention to the disclosure made in note 1.2 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

The impact of uncertainties due to Britain exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.



Independent auditor's report to the members of FC Retail Services Limited *(continued)*

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Anthony Hambleton (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
St Nicholas House,
31 Park Row
Nottingham
NG1 6FQ

3 December 2019

Statement of Income and Retained Earnings

for the year ended 31 March 2019

	Note	2019 £000	2018 £000
Turnover		2	42
Cost of sales		(1)	(16)
Gross profit		1	26
Administrative expenses		(17)	(19)
Operating (loss)/profit		(16)	7
Other interest receivable and similar income		-	-
(Loss)/profit before taxation	2	(16)	7
Tax on (loss)/profit		1	(1)
(Loss)/profit for the financial year		(15)	6
Retained profits brought forward		111	105
Retained profits carried forward		96	111

In both the current and preceding years, the company made no material acquisitions and had no discontinued operations.

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account, and therefore no separate statement of other comprehensive income has been presented.

Balance Sheet
 at 31 March 2019

	Note	2019 £000	2018 £000
Current assets			
Debtors		11	39
Cash at bank and in hand		85	79
		<u>96</u>	<u>118</u>
Creditors: amounts falling due within one year		-	(7)
		<u>96</u>	<u>111</u>
Net assets			
Capital and reserves			
Called up share capital	3	-	-
Profit and loss account		96	111
		<u>96</u>	<u>111</u>
Shareholders' funds			
		<u>96</u>	<u>111</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors on 26 November 2019 and were signed on its behalf by:



P D Thorogood
 Director

Company registered number: 06018193

Notes

(forming part of the financial statements)

1 Accounting policies

FC Retail Services Limited (the "Company") is a company limited by shares and incorporated and domiciled in England in the UK. Its registered number is 06018193 and its registered office is Cumberland Court, 80 Mount Street, Nottingham, NG1 6HH.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in July 2015, and with the Companies Act 2006 (as applicable to companies subject to the small companies' regime). As a small company the financial statements have been prepared under section 1A the small entities regime of FRS 102.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £000.

The Company's parent undertaking, Freeths LLP includes the Company in its consolidated financial statements. The consolidated financial statements of Freeths LLP are also prepared in accordance with Financial Reporting Standard 102 and are available to the public and may be obtained from Cumberland Court, 80 Mount Street Nottingham. NG1 6HH.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation

As the consolidated financial statements of Freeths LLP include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented unless otherwise stated.

No significant judgements or accounting estimates have had to be made by management in preparing these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, as explained in the Strategic Report, On 29 March 2019, the trade of FC Retail Services Limited was acquired by its ultimate holding company, Freeths LLP. The book value of assets transferred were £nil and the consideration paid was £nil, following the sale FC Retail Services Limited ceased trading. It is the future intention of the Directors to liquidate the company, consequently the Directors have decided that the implementation of a break up (i.e. a non-going concern) basis of accounting is most appropriate. The Directors have reviewed the fair value of the assets and liabilities as at 31 March 2019 and they are akin to fair value therefore the presentation of the primary statements isn't affected by the change in basis of preparation.

1.3 Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable and loans to and from related parties.

Notes (continued)

1 Accounting policies (continued)

1.4 Debtors

Short term debtors are measured a transaction price, less any impairment.

1.5 Creditors

Short term trade creditors are measured at the transaction price plus attributable transactions costs.

1.6 Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Provisions for negligence claims are made on a case-by-case basis in respect of the cost of defending claims and where appropriate, the estimated cost to the Company of settling claims. Separate disclosure is not made of claims covered by insurance recoveries expected to be obtained on the grounds that disclosure might seriously prejudice the outcome of the claims.

1.7 Turnover

Turnover represents amounts chargeable to clients for professional services provided during the year, excluding disbursements and value added tax. Income is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of the work performed. Income also includes appropriate amounts in respect of work in progress as described above, to the extent that the outcome of these contracts can be assessed with reasonable certainty. Income is not recognised where the right to receive payment is contingent on events outside the control of the company.

Revenue not yet billed is included in debtors as 'amounts recoverable from clients'.

1.8 Interest receivable and Interest payable

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

1.9 Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

2 Profit before taxation

Included in profit before taxation are the following:

	2019 £000	2018 £000
Auditor's remuneration:		
Audit of these financial statements	1	2
	<u> </u>	<u> </u>

3 Share capital

	2018=9 £	2018 £
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company.

Notes (continued)

4 Ultimate parent company

The Company is a subsidiary undertaking of Freeths LLP whose registered office is the same as that of the Company. The Directors do not consider there to be an ultimate controlling party.

The consolidated financial statements of Freeths LLP are available to the public and may be obtained from Companies House or the registered office.