

Company Registration No. 07866069

NEW CPWM LIMITED

Annual Report and Financial Statements

For the period ended 2 May 2020

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**NEW CPWM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2020**

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NEW CPWM LIMITED DIRECTORS' REPORT

The Directors present their annual report on the affairs of New CPWM Limited ("the Company"), together with the unaudited financial statements for the 15 months ended 2 May 2020. Comparative figures are presented for the year ended 2 February 2019.

This report is prepared in accordance with the provisions applicable to companies entitled to the small companies exemption s415(a) of the Companies Act 2006. The exemption available from the requirements to prepare a strategic report has been taken in line with s414B of the Companies Act 2006.

Principal activities

The Company is a wholly owned subsidiary of Dixons Carphone Holdings Limited, having previously been a wholly owned subsidiary of Best Buy Distributions Limited. Its ultimate parent company is Dixons Carphone plc. The principal activity of the Company is that of a holding company.

Review of the business

The Company does not have any turnover and minimal activity. During the period, the Company undertook a capital reduction and paid a dividend of \$3,378,878.50 USD. On 7 August 2019 Dixons Carphone Holdings Limited (registered in England and Wales with company number 07866062), whose registered office is at 1 Portal Way, London W3 6RS, completed an acquisition of the Company by purchasing 100% of the equity from Best Buy Distributions Limited.

Following the acquisition, the Company's accounting reference period of 31 January 2020 was extended so as to end on 30 April 2020 to align with the ultimate parent company, Dixons Carphone plc and the Dixons Carphone group.

Risk management

The activities of the Company do not expose it to material risks.

Dividends

The directors declared and paid an ordinary dividend of \$3,378,878.50 USD per ordinary share (year ended 2 February 2019: \$nil). The holders of deferred shares are not entitled to receive distributable profits of the Company as outlined in note 7.

Donations

The Company did not make any charitable or political donations in the period (year ended 2 February 2019: \$nil).

Going concern basis

As further described in note 1 to the financial statements, the Directors have formed a judgement that, at the time of approving the financial statements, there is reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future as the Company has received commitments from its ultimate parent company that it will provide financial support for a period of at least 12 months to ensure the Company can meet its liabilities as they fall due.

For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

Directors

The Directors who served throughout the year and subsequently are as follows:

	Appointed	Resigned
A Gibson	7 August 2019	30 January 2020
T Hartman		7 August 2019
K Jamieson	30 January 2020	
L Smith	7 August 2019	30 January 2020
K Uqaili	30 January 2020	
M Watson		7 August 2019

NEW CPWM LIMITED
DIRECTORS' REPORT

Company Secretary

K Nelson
S Thomas

Appointed

7 August 2019

Resigned

12 April 2019

Audit Exemption

For the period ended 2 May 2020 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:



K Jamieson
Director

28 January 2021

Registered Office:
1 Portal Way
London
W3 6RS

Registered number: 07866069

the Company in 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 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 with reasonable accuracy at any time, the financial position of the Company and to 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.

NEW CPWM LIMITED
PROFIT AND LOSS ACCOUNT
For the period ended 2 May 2020

		Period ended 2 May 2020 USD	Year ended 2 February 2019 USD
	Note		
Turnover		-	-
Operating expenses		-	-
		<hr/>	<hr/>
Operating profit		-	-
Finance income		-	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	4	-	-
		<hr/>	<hr/>
Profit after taxation for the period		-	-
		<hr/>	<hr/>

All operating profits and (losses) are derived from continuing operations.

There are no other items of comprehensive income or expense other than the profit / (loss) for the current and preceding periods and therefore no statement of comprehensive income has been presented.

NEW CPWM LIMITED
BALANCE SHEET
As at 2 May 2020

	Note	2 May 2020 USD	2 February 2019 USD
Current assets			
Trade and other receivables	5	2	3,378,880
Net current assets		2	3,378,880
Net assets		2	3,378,880
Capital and reserves			
Called-up share capital	7	2	119,863,827
Profit and loss account	7	-	(116,484,947)
Shareholders' funds		2	3,378,880

For the period ended 2 May 2020 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.

These financial statements were approved by the Directors on 28 January 2021 and signed on their behalf by:



K Jamieson
Director

Registered Office:
1 Portal Way
London
W3 6RS
Registered number: 07866069

NEW CPWM LIMITED
STATEMENT OF CHANGES IN EQUITY
For the period ended 2 May 2020

	Share capital USD	Profit and loss account USD	Total equity USD
At 3 February 2018	119,863,827	(116,484,947)	3,378,880
Profit for the period	-	-	-
Total comprehensive income and expense for the period	-	(116,484,947)	3,378,880
At 2 February 2019	119,863,827	(116,484,947)	3,378,880
Profit for the year	-	-	-
Total comprehensive income and expense for the year	-	-	-
Capital reduction	(119,863,825)	119,863,825	-
Equity dividends	-	(3,378,878)	(3,378,878)
At 2 May 2020	2	-	2

NEW CPWM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1 Basis of preparation

New CPWM Limited ("the Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is 1 Portal Way, London W3 6RS. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 2.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the period ended 2 May 2020 the Company has undergone transition from under FRS 102 (Financial Reporting Standard 102) as issued by the Financial Reporting Council to FRS 101 (Financial Reporting Standard 101) as issued by the Financial Reporting Council. Accordingly, the financial statements have therefore been prepared in accordance with FRS101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

This transition is not considered to have had a material effect on the financial statements.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, standards not yet effective, impairment of assets and related party transactions. Where relevant, equivalent disclosures have been given in the group accounts of Dixons Carphone plc.

The financial statements have been presented in US Dollars, the functional currency of the Company.

There are no new accounting standards, amendments to standards or IFRIC interpretations which are effective for the Company for the first time during the period ended 2 May 2020 which have had an impact on the Company's results or net assets. Certain other new accounting standards, amendments to existing accounting standards and interpretations which are in issue but not yet effective, either do not apply to the Company or are not expected to have any material impact on the Company's net results or net assets.

The principal accounting policies are set out below.

1.2 Going concern

Following the acquisition of the Company by Dixons Carphone Holdings Limited, and as further disclosed within the Directors Reports on page 2, the financial statements have been prepared under the going concern basis as the Company has received commitments from its ultimate parent company that it will continue to provide the necessary financial support to the Company for a period of at least 12 months from the date of approval of these financial statements.

In making this assessment the Group has considered the impact of the Covid-19 pandemic, including recent financial performance. This assessment has resulted in revisions to the Company's and the Group's forecast of performance over the going concern period. When revised, these forecasts continue to demonstrate that the Group is able to provide financial support to the Company for a period of at least 12 months. The considerations the ultimate parent company made in coming to this assessment can be found on pages 135-137 of the Annual Report and Accounts 2019/20.

For the reasons outlined above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Financial assets

Financial assets are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the investment. The Company's financial assets comprise those receivables which involve a contractual right to receive cash from other Group entities. Financial assets comprise all items detailed in note 6 and are classified as held at amortised cost (excluding derivative financial assets) in accordance with IFRS 9.

Impairment of financial assets

Receivable balances with other Group entities are reviewed for potential impairment based on the ability of the counterparty to meet its obligations. The net current asset / liability position of the entity is considered and where the amount due to the Company is not supported, the estimated cashflows of the counterparty and subsidiary companies with the ability to distribute cash to it are considered. The Company will derecognise a financial asset when the contractual rights to the cash flows expire or the Company transfers the financial asset in a way that qualifies for derecognition in accordance with IFRS 9.

NEW CPWM LIMITED
NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES continued

1.4 Taxation

Current taxation

Current tax is provided at amounts expected to be paid or recovered using the prevailing tax rates and laws that have been enacted or substantively enacted by the balance sheet date and adjusted for any tax payable in respect of previous years.

Deferred taxation

Deferred tax liabilities are recognised for all temporary differences between the carrying amount of an asset or liability in the balance sheet and the tax base value and represent tax payable in future periods. 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.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Current and deferred tax is recognised in the income statement except where it relates to an item recognised directly in reserves, in which case it is recognised directly in reserves.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted, or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset against each other when they relate to income taxes levied by the same tax jurisdiction and when the Company intends to settle its current tax assets and liabilities on a net basis. Deferred tax balances are not discounted.

1.5 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

1.6 Critical accounting judgements and key sources of estimation uncertainty

Critical accounting judgements and estimates used in the preparation of the financial statements are continually reviewed and revised as necessary.

Whilst every effort is made to ensure that such judgements and estimates are reasonable, by their nature they are uncertain, and as such changes may have a material impact. The Directors consider there are no critical accounting judgements or key sources of estimation uncertainty which affect these financial statements.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The Company was exempt from audit and therefore no audit fee was paid or accrued in the current or prior period. The Group's auditor received no fees for non-audit work in the current or prior period.

3. DIRECTORS' REMUNERATION AND EMPLOYEES

The Directors did not receive any remuneration in the year for services to the Company (2018/19: \$nil). The Company had no employees during the year (2018/19: nil).

4. TAX

The Company did not incur any taxes during the period ended 2 May 2020 (2018/19: \$nil)

NEW CPWM LIMITED
NOTES TO THE FINANCIAL STATEMENTS

5. DEBTORS

	2 May 2020 USD	2 February 2019 USD
Amounts due from group undertakings	<u>2</u>	<u>3,378,880</u>

6. SHARE CAPITAL

	2 May 2020 USD	2 February 2019 USD
Called up, allotted and fully paid:		
1 ordinary shares of £0.5 each	1	1
154,663,002 deferred shares of £ ¹ / _{154,663,002} each	<u>1</u>	<u>119,863,826</u>
	<u>2</u>	<u>119,863,827</u>

During the period, the Company undertook a capital reduction to reduce the nominal value of the deferred shares held from £0.5 each to £¹/_{154,663,002} each.

The holders of the deferred shares have no right to receive notice or to attend or vote at any general meeting and are not entitled to receive distributable profits of the Company.

7. PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent and controlling entity is Dixons Carphone Holdings Limited, a wholly-owned subsidiary of Dixons Carphone plc.

The Company's ultimate parent and controlling entity is Dixons Carphone plc, a company incorporated in Great Britain and which is registered in England and Wales. Dixons Carphone plc is the parent of the largest and smallest group which includes the Company and for which consolidated financial statements are prepared. Copies of its financial statements may be obtained from its registered office at 1 Portal Way, London W3 6RS.

8. SUBSEQUENT EVENTS

Following the impact of the Covid-19 pandemic the Company has monitored internal actions, external factors likely to affect future developments and the trading performance, financial position and cash flows of the Company from the reporting date up until the date of signing. No adjustments to key estimates and judgements that impact the balance sheet as at 2 May 2020 have been identified.