

**JD Williams Group Limited**

**Annual report and financial statements**

Registered number 00927506

For the 53 week period ended 4 March 2017

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## Strategic Report

### Principal activities and business review

The principal activity of the company continues to be that of an investment holding company.

### Results and dividends

Results and dividends paid are as follows:

	£
Retained profit at 27 February 2016	31,105,203
Profit for the financial period	46,914,095
Ordinary dividends paid	<u>(46,900,000)</u>
<b>Retained profit at 4 March 2017</b>	<b><u>31,119,298</u></b>

### Risks and uncertainties

There are a number of risks and uncertainties, which could have an impact on the company's long-term performance as an intermediate holding company. They include consideration of the general economic climate affecting its subsidiaries and the impact of trading performance of its subsidiaries.

The directors routinely monitor all these risks and uncertainties and appropriate actions are taken to mitigate these risks, such as having business continuity procedures in place, a dedicated team assessing regulatory developments, ensuring we treat our customers fairly and hosting regular reviews with all of our strategic partners. The directors are also committed to invest continually in updating the company's systems and infrastructure to keep pace with new technology.

### Approval

This report was approved by the board of directors on 28 June 2017 and signed on its behalf by:



Craig Lovelace  
Director

## Directors' report

The directors present their annual report on the affairs of the company, together with the audited financial statements and auditor's report, for the 53 week period ended 4 March 2017.

### Directors

The directors who served during the period and thereafter are as shown below:

I. Carr

C. Lovelace

### Going concern

In determining whether the company's financial statements can be prepared on a going concern basis, the directors considered the company's business activities together with factors likely to affect its future development, performance and its financial position including cash flows, liquidity position and borrowing facilities and the risks and uncertainties relating to its business activities. As indicated above, this company principally acts as an intermediate holding company. Accordingly, the directors refer to the going concern disclosures presented in the group financial statements and updated to the date of approval of these financial statements. The company has jointly and severally guaranteed the bank overdrafts and other liabilities of the company's ultimate parent undertaking and certain fellow subsidiary undertakings.

The group has considered carefully its cash flows and banking covenants for the next twelve months from the date of signing the audited financial statements. These have been appraised in light of the current economic climate. As such, conservative assumptions for working capital performance have been used to determine the level of financial resources available to the group and to assess liquidity risk.

The group's forecasts and projections, after sensitivity to take account of all reasonably foreseeable changes in trading performance, show that the group will have sufficient headroom within its current loan facilities. After making appropriate enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the annual report and financial statements.

The company has obtained confirmation from its parent company, N Brown Group plc that it will continue to provide financial support for the foreseeable future. In receiving this support, the directors are mindful of the disclosures made in the financial statements of N Brown Group plc.

### 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 a director 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.

By order of the board

C Lovelace

Director



Griffin House  
40 Lever Street  
Manchester, M60 6ES

28 June 2017

## **Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements**

The directors are responsible for preparing the Strategic Report, 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 period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), 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 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 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.



**KPMG LLP**

1 St Peter's Square  
Manchester  
M2 3AE  
United Kingdom

## **Independent auditor's report to the members of JD Williams Group Limited**

We have audited the financial statements of JD Williams Group Limited for the period ended 4 March 2017 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 4 March 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Independent auditor's report to the members of JD Williams Group Limited** *(continued)*

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.



**Stuart Burdass (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
1 St Peter's Square  
Manchester  
M2 3AE

*30 June 2017*

## Profit and loss account

for the 53 week period ended 4 March 2017

	Notes	2017 £	2016 £
Investment income	2	50,000,000	50,000,000
Finance costs (net)	5	(3,085,905)	(3,061,086)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		<b>46,914,095</b>	<b>46,938,914</b>
Tax on profit on ordinary activities	6	-	-
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation</b>		<b>46,914,095</b>	<b>46,938,914</b>
		<hr/>	<hr/>

All income has arisen from continuing operations.

## Other Comprehensive Income

The company has no recognised income or expenses in the current or prior period other than those included in the Profit and loss account above.

The accompanying notes are an integral part of these financial statements.



## Balance sheet

As at 4 March 2017

	<i>Note</i>	<b>2017</b> £	<b>2016</b> £
<b>Fixed assets</b>			
Fixed asset investments	8	116,299,486	116,299,486
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	9	450,001	450,001
Cash at bank and in hand		52,732	40,298
		<hr/>	<hr/>
		502,733	490,299
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	10	(84,141,448)	(84,143,109)
		<hr/>	<hr/>
<b>Net current liabilities</b>		(83,638,715)	(83,652,810)
		<hr/>	<hr/>
<b>Net assets</b>		32,660,771	32,646,676
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called-up share capital	11	1,541,473	1,541,473
Profit and loss account		31,119,298	31,105,203
		<hr/>	<hr/>
<b>Shareholder's funds</b>		32,660,771	32,646,676
		<hr/>	<hr/>

The financial statements were approved by the Board of Directors and authorised for issue on 28 June 2017 and signed on its behalf by:

C Lovelace  
Director



The accompanying notes are an integral part of these financial statements.

Company Number 00927506

## Statement of Changes in Equity

	Called up Share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 March 2015	1,541,473	31,166,289	32,707,762
<b>Total comprehensive income for the period</b>			
Profit or loss	-	46,938,914	46,938,914
Total comprehensive income for the period	-	46,938,914	46,938,914
Transactions with owners, recorded directly in equity			
Dividends	-	(47,000,000)	(47,000,000)
Total contributions by and distributions to owners	-	(47,000,000)	(47,000,000)
<b>Balance at 27 February 2016</b>	<b>1,541,473</b>	<b>31,105,203</b>	<b>32,646,676</b>
<b>Total comprehensive income for the period</b>			
Profit or loss	-	46,914,095	46,914,095
Total comprehensive income for the period	-	46,914,095	46,914,095
Transactions with owners, recorded directly in equity			
Dividends	-	(46,900,000)	(46,900,000)
Total contributions by and distributions to owners	-	(46,900,000)	(46,900,000)
<b>Balance at 4 March 2017</b>	<b>1,541,473</b>	<b>31,119,298</b>	<b>32,660,771</b>

The accompanying notes are an integral part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The principal accounting policies of the company are set out below and are consistent with the previous periods.

#### *Basis of accounting*

JD Williams Group Limited (the “company”) is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (“FRS 101”) and the Companies Act 2006

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The company’s ultimate parent undertaking N Brown Group Plc includes the company in its consolidated financial statements. The consolidated financial statements of N Brown Group Plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from its registered office address, see note 13.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

The company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

#### *Going concern*

After reviewing the company cash flows and making appropriate enquiries the directors consider the going concern basis to be appropriate to these financial statements (further detail is given in the Directors’ Report).

#### *Accounting period*

Throughout the financial statements, the notes to the financial statements and the directors’ report, reference to 2017 means 4 March 2017 or the 53 weeks then ended; reference to 2016 means 27 February 2016 or the 52 weeks then ended.

#### *Taxation*

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation 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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company’s taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods 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 is measured on a non-discounted basis.

#### *Investments*

Fixed asset equity investments are shown at cost less provisions for impairment. Other investments which are denominated in foreign currencies are treated as monetary assets and are retranslated at the balance sheet date. Gains or losses from off balance sheet cross-currency swaps are offset against the investment.

## Notes

(forming part of the financial statements)

### 1 Accounting policies (continued)

#### Consolidated financial statements & cash flow statement

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of N Brown Group plc which prepares consolidated financial statements which are publicly available.

#### Accounting estimates and judgements

There are no significant estimates and judgements in these financial statements.

### 2 Investment Income

Investment income comprises:

	2017 £	2016 £
Income from interests in subsidiary undertakings	50,000,000	50,000,000

### 3 Dividends paid

	2017 £	2016 £
Dividends paid £30.43 per share, (2016: £30.49 per share)	46,900,000	47,000,000

### 4 Profit on ordinary activities before taxation

The company has no employees other than the directors, who received no remuneration from the company during the period (2016: £nil). Fees paid to the company's auditor, KPMG LLP and its associates for the audit of the company were £500 (2016: £500), paid by a fellow group company. Fees paid for services other than the statutory audit of the company are not disclosed in the company's financial statements since the consolidated financial statements of the company's parent, N Brown Group plc, are required to disclose non-audit fees on a consolidated basis.

### 5 Finance costs

	2017 £	2016 £
Interest on intercompany loans	3,085,905	3,061,086

### 6 Taxation

	2017 £	2016 £
UK corporation tax	-	-
Current tax on income for the period	-	-

## Notes (continued)

### 6 Taxation (continued)

#### Reconciliation of effective tax rate

	2017 £	2016 £
Profit for the period	46,914,095	46,938,914
Total tax expense	-	-
Profit on ordinary activities before tax	46,914,095	46,938,914
Corporation tax at 20.00% (2016 – 20.08%)	9,382,819	9,425,334
Adjustment for group relief surrendered	617,181	614,666
Non-taxable dividend income	(10,000,000)	(10,040,000)
Total tax charge for the period	-	-

### 7 Directors Remuneration

Directors' remuneration charged to group was as follows

	2017 £'000	2016 £'000
Aggregate emoluments	3,876	3,582
	3,876	3,582

The amount of time spent in relation to JDW Group Limited by the directors in the period was immaterial, therefore there is no remuneration for services to this Company. The remuneration above is total directors remuneration, however no charge has been made in these accounts.

### 8 Fixed asset investments

The following are included in the net book value of fixed asset investments:

	2017 £	2016 £
Subsidiary undertakings	116,299,486	116,299,486

The company has an investment in the following subsidiary undertakings. A full list of all indirect subsidiaries are included within Note 13. The registered addresses

Principal subsidiary undertaking	Registered Office	Principal activity and country of operation	Description and proportion of shares held by the company
J. D. Williams & Co. Limited	Griffin House, 40 Lever Street, Manchester, M60 6ES	Mail order retailing in the UK	Ordinary - 100%
N Brown No2 Limited	Griffin House, 40 Lever Street, Manchester, M60 6ES	Investment holding company	Ordinary – 100%

## Notes (continued)

### 9 Debtors

The following, all of which fall due within one year, are included within debtors:

	2017 £	2016 £
Amounts owed by group undertakings	<u>450,001</u>	<u>450,001</u>

### 10 Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed by group undertakings	84,117,732	84,117,732
Accruals	<u>23,716</u>	<u>25,377</u>
	<u>84,141,448</u>	<u>84,143,109</u>

Loans payable to group undertakings are unsecured, have no fixed date for repayment and interest is paid at a rate linked to the Bank of England base rate.

### 11 Called-up share capital

	2017 £	2016 £
Allotted, called-up and fully-paid 1,541,473 Ordinary shares of £1 each	<u>1,541,473</u>	<u>1,541,473</u>

### 12 Guarantees and other financial commitments

The company has jointly and severally guaranteed the bank overdrafts and other liabilities of the company's ultimate parent undertaking and certain fellow subsidiary undertakings. The contingent liability at 4 March 2017 was £27.2m (2016: £13.0m).

## Notes (continued)

### 13 Ultimate parent undertaking and related party disclosures

The directors regard N Brown Group plc, a company incorporated in the United Kingdom and registered in England and Wales, as the ultimate parent company and the ultimate controlling party.

N Brown Group plc is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from Griffin House, 40 Lever Street, Manchester, M60 6ES.

As a subsidiary of N Brown Group PLC, the Company has taken advantage of the exemption contained in FRS 101.8 (K) and has therefore not disclosed transactions with wholly owned subsidiaries which form part of the group.

The subsidiary companies that JD Williams & Company Limited owns are listed below:

	Registered Office	Class of shares held	Ownership	
			2017	2016
Aldrex Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Ambrose Wilson Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Better Living Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Candid Collections Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Classic Combination Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Comfortably Yours Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Crescent Direct Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Cuss Contractors Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Dale House (Mail Order) Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
E Langfield & Co. Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Fashion World Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Figleaves Global Trading Limited	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Whitfords (Bury) Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Whitfords (Textiles) Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Whitfords (Cosytred) Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
The Bury Boot & Shoe Co (1953) Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
First Financial Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Fulfilment Logistics Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Gray & Osbourn Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Hallco 294 Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Halwins Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Hartingdon House Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Health Direct Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Heather Valley (Woollens) Ltd	45 Frederick Street, Edinburgh, EH2 1EP	Ordinary	100%	100%
Hilton Mailing Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Home Shopping Direct Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
House of Stirling (Direct Mail) Ltd	Fraser Brooks, 45 Frederick Street, Edinburgh, EH2 1ES	Ordinary	100%	100%
J. D. Williams Merchandise Co Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
JDW Finance Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
JDW Pension Trustees Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Langley House Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Mature Wisdom Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Melgold Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Nightingales Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Odhams Leisure Group Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Oxendale & Co. Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Oxendale & Co. Ltd (Eire Reg)	Woodford Business Park, Santry, Dublin 17	Ordinary	100%	100%
Postal Traders Credit Agency Ltd	36 Houldsworth Street, Manchester, Lancashire, M1 1AG	Ordinary	100%	100%
Reliable Collections Ltd	36 Houldsworth Street, Manchester, Lancashire, M1 1AG	Ordinary	100%	100%
Sander & Kay Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Sartor Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Speciality Home Shopping (US) Ltd	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
The Value Catalogue Limited	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%
Trading By Post Ltd	16 Comely Bank Avenue, Edinburgh, EH4 1EL	Ordinary	100%	100%
T-Bra Limited	Griffin House, 40 Lever Street, Manchester, M60 6ES	Ordinary	100%	100%