

**Company Registration No. 3649523**

**Thistledove Limited**

**Report and Financial Statements**

**52 weeks period ended 27 November 2011**



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# **Thistledove Limited**

## **Report and financial statements 2011**

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# **Thistledove Limited**

## **Report and financial statements 2011**

### **Officers and professional advisers**

#### **Directors**

M J Aguss  
J Lancaster (Chairman and Chief Executive)  
S J Miller  
S W Wilkinson (Resigned 27 October 2011)  
D Thomas (Appointed 1 December 2011)

#### **Secretary**

S J Miller

#### **Bankers**

Lloyds Banking Group  
25 Gresham Street  
London  
EC2V 7HN

#### **Solicitors**

Travers Smith LLP  
10 Snow Hill  
London  
EC1A 2AL

#### **Registered Office**

Martin McColl House  
Ashwells Road  
Brentwood  
Essex  
CM15 9ST

#### **Auditor**

Deloitte LLP  
Chartered Accountants  
London

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## **Thistledove Limited**

### **Directors' report**

The directors present their report and the financial statements for the 52 week period ended 27 November 2011. The comparative period represents the 52 week period ended 28 November 2010.

#### **Results and dividends**

The results of the company for the period are shown on page 6. The loss for the period, after taxation, amounted to £1,815,000 (2010: loss £1,212,000). The directors do not recommend the payment of a dividend (2010: nil).

#### **Principal activity and review of the business**

The company is a wholly owned subsidiary of Martin McColl Retail Group Limited.

The company's principal activity is as the intermediate holding company for the Martin McColl Ltd group of companies which are operators of convenience and newsagent stores. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any major changes in the company's activities in the next year.

The key performance indicators are the loss for the period and net assets.

The loss for the period comprises net interest payable on intra-group balances of £1.8m (2010: £1.2m). The balance sheet on page 7 of the financial statements shows the company's financial position at the period end. Net assets have reduced to £71.3m (2010: £73.1m) due to the loss incurred in the period.

#### **Principal risks and uncertainties**

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risks the directors consider relevant to this company are credit risk and liquidity risk. These risks are mitigated by the nature of the debtor balances owed, with these due from other group companies who are able to repay these if required.

#### **Going concern**

This report contains a review of the company's business activities and financial position, together with factors likely to affect its future development.

As at 27 November 2011, the company had net (current) liabilities of £24.5m and total net assets of £71.3m. Martin McColl Retail Group Limited has confirmed it will continue to support the company's obligations and as a result, after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the period of at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **Directors**

The directors who served during the year were:

M J Aguss

J Lancaster

S J Miller

S W Wilkinson (Resigned 27 October 2011)

D Thomas was appointed as a director on 1 December 2011.

## **Thistledove Limited**

### **Directors' report**

#### **Auditor**

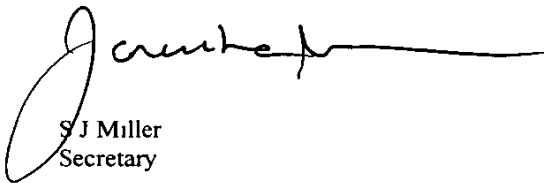
Each of the persons who is a director at the date of approval of these financial statements confirms that

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken in their role as a director in order to make themselves aware of any relevant audit information, and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to continue in office as auditor of the company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'S J Miller', with a long horizontal flourish extending to the right.

S J Miller  
Secretary

28 May 2012

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## **Thistledove Limited**

### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and 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 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, 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 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

## **Independent Auditor's report to the members of Thistledove Limited**

We have audited the financial statements of Thistledove Limited for the period ended 27 November 2011 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Statement of Directors' Responsibilities, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 27 November 2011 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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.



Robert Matthews (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom  
28 May 2012

## **Thistledove Limited**

### **Profit and loss account**

#### **52 weeks period ended 27 November 2011**

|   |              | <b>52 weeks<br/>ended<br/>27 November<br/>2011<br/>£'000</b> | <b>52 weeks<br/>ended<br/>28 November<br/>2010<br/>£'000</b> |
|---|--------------|--|--|
|   | <b>Notes</b> |  |  |
| Net interest payable  | 4            | <u>(1,815)</u>   | <u>(1,212)</u>   |
| <b>Loss on ordinary activities before taxation</b>  |              | <b>(1,815)</b>   | <b>(1,212)</b>   |
| Tax on loss on ordinary activities  | 5            | <u>-</u>   | <u>-</u>   |
| <b>Loss on ordinary activities after taxation being loss for<br/>the financial period</b> |              | <b><u>(1,815)</u></b>  | <b><u>(1,212)</u></b>  |

The company has no recognised gains or losses other than shown in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented in the current or prior period



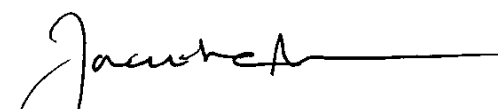
## Thistledove Limited

### Balance sheet 27 November 2011

|   | Notes | 27 November<br>2011<br>£'000 | 28 November<br>2010<br>£'000 |
|---|-------|------------------------------|------------------------------|
| <b>Fixed assets</b>   |       |                              |                              |
| Investments   | 6     | 95,740                       | 95,740                       |
| <b>Current assets</b>   |       |                              |                              |
| Debtors   | 7     | 112,195                      | 103,887                      |
| <b>Creditors: amounts falling due within one year</b>         | 8     | (136,666)                    | (126,543)                    |
| <b>Net current liabilities</b>                                |       | (24,471)                     | (22,656)                     |
| <b>Total assets less current liabilities being net assets</b> |       | 71,269                       | 73,084                       |
| <b>Capital and reserves</b>                                   |       |                              |                              |
| Called up share capital                                       | 9     | 8                            | 8                            |
| Share premium   | 10    | 30,159                       | 30,159                       |
| Other reserves  | 10    | 45,000                       | 45,000                       |
| Profit and loss account                                       | 10    | (3,898)                      | (2,083)                      |
| <b>Shareholders' funds</b>                                    | 10    | 71,269                       | 73,084                       |

These financial statements of Thistledove Limited, company number 3649523, were approved and authorised for issue by the Board of Directors on 28 May 2012

Signed on behalf of the Board of Directors

  
S J Miller  
Director

# **Thistledove Limited**

## **Notes to the financial statements 52 weeks period ended 27 November 2011**

### **1. Accounting policies**

#### **Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable UK law and accounting standards. The following accounting policies have been applied consistently by the directors in both the current and preceding periods. The financial statements are prepared on the going concern basis. Going concern is discussed in the Directors' Report on page 2.

#### **Investments**

Fixed asset investments are shown at cost less provision for impairment.

#### **Taxation**

Current tax is provided at amounts expected to be paid 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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that the directors consider that, on the basis of all available evidence, 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 an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Group financial statements**

The company is a wholly owned subsidiary of the Martin McColl Retail Group Limited group of companies and has not, therefore, prepared group financial statements in accordance with s/400 of the Companies Act 2006. Accordingly, the financial statements present information about the company as an individual undertaking.

#### **Cash flow statement**

As permitted by Financial Reporting Standard No 1 (Revised) "Cash Flow Statements", a cash flow statement is not included in these financial statements as the company is a wholly owned subsidiary of the Martin McColl Retail Limited group of companies, who have included a consolidated cash flow statement, including the cash flow of the company, in their financial statements for the period ended 27 November 2011.

#### **Related parties**

The company has not disclosed transactions with related parties that are part of the Martin McColl Retail Group Limited group of companies as permitted by Financial Reporting Standard No 8 "Related Parties".

### **2. Audit fee**

The audit fee in respect of the audit of the company's financial statements of £1,000 (2010: £1,000) was borne by another group company in the current and prior periods.

### **3. Directors' emoluments**

Four directors were wholly remunerated by other group companies (2010: Four). No specific allocation of their remuneration has been made in respect of their services to this company (2010: £nil). Two directors were members of the TM Group Pension Scheme, a defined benefit pension scheme (2010: two). The company did not have any employees other than the directors in either the current or prior period.

## Thistledove Limited

### Notes to the financial statements 52 weeks period ended 27 November 2011

#### 4. Net interest payable and similar charges

|  | 52 weeks<br>ended<br>27 November<br>2011<br>£'000 | 52 weeks<br>ended<br>28 November<br>2010<br>£'000 |
|--|---|---|
| Interest receivable                      |   |   |
| Intra-group interest receivable          | 8,308   | 5,544   |
|  | <u>8,308</u>                                      | <u>5,544</u>                                      |
| Interest payable                         |   |   |
| Intra-group interest payable             | (10,123)  | (6,756)   |
|  | <u>(10,123)</u>                                   | <u>(6,756)</u>                                    |
| Net interest payable and similar charges | <u>(1,815)</u>                                    | <u>(1,212)</u>                                    |

#### 5. Tax credit on loss on ordinary activities

##### *Analysis of tax credit in the period:*

|                                    | 52 weeks<br>ended<br>27 November<br>2011<br>£'000 | 52 weeks<br>ended<br>28 November<br>2010<br>£'000 |
|------------------------------------|---|---|
| Current tax                        |   |   |
| Current tax on loss for the period | -   | -   |
| Tax credit for the period          | <u>-</u>  | <u>-</u>  |

##### *Factors affecting current tax credit:*

The difference between the effective statutory rate and the actual current tax credit is reconciled as follows

|  | 52 weeks<br>ended<br>27 November<br>2011<br>£'000 | 52 weeks<br>ended<br>28 November<br>2010<br>£'000 |
|--|---|---|
| Loss on ordinary activities before tax   | <u>(1,815)</u>                                    | <u>(1,212)</u>                                    |
| Loss on ordinary activities multiplied by the blended applicable<br>statutory rate of 26.67% (2010: 28%) | (484)   | (339)   |
| Group relief surrendered for nil consideration   | <u>484</u>  | <u>339</u>  |
| Total current tax credit   | <u>-</u>  | <u>-</u>  |

There are no factors which are anticipated that will affect the future tax charge

## Thistledove Limited

### Notes to the financial statements 52 weeks period ended 27 November 2011

#### 6 Investments

|  | 52 weeks<br>ended<br>27 November<br>2011<br>£'000 |
|--|---|
| Subsidiary undertaking – cost and net book value at<br>27 November 2011 and 28 November 2010 | 95,740  |

The carrying value of the investment in subsidiary undertakings has been reviewed at 27 November 2011 and no impairment charge is required

The following information relates to the principal subsidiary undertakings of the company

| Name of company                          | Country of<br>registration (or<br>incorporation)<br>and operation | Holding         | Proportion<br>of voting<br>rights and<br>shares held | Nature of<br>Business   |
|--|---|-----------------|--|-------------------------|
| All held by the company unless indicated |   |                 |  |                         |
| Bracklands Ltd*                          | England and Wales   | Ordinary shares | 100%   | Property Co             |
| Clark Retail Ltd*                        | Scotland  | Ordinary shares | 100%   | Retailing               |
| Dillons Stores Ltd*                      | England and Wales   | Ordinary shares | 100%   | Retailing               |
| Key Food Stores Ltd*                     | England and Wales   | Ordinary shares | 100%   | Intermediate Holding Co |
| Martin McColl Ltd*                       | England and Wales   | Ordinary shares | 100%   | Retailing               |
| Martin Retail Group Ltd*                 | Scotland  | Ordinary shares | 100%   | Retailing               |
| Price Smasher Ltd*                       | England and Wales   | Ordinary shares | 100%   | Intermediate Holding Co |
| Smile Holdings Ltd*                      | England and Wales   | Ordinary shares | 100%   | Intermediate Holding Co |
| Smile Stores Ltd*                        | England and Wales   | Ordinary shares | 100%   | Retailing               |
| TM Group Holdings Ltd                    | England and Wales   | Ordinary shares | 100%   | Predecessor Holding Co  |
| TM Vending Ltd*                          | England and Wales   | Ordinary shares | 100%   | Corporate Activities    |
| Tog Ltd*                                 | England and Wales   | Ordinary shares | 100%   | Intermediate Holding Co |

\*100% held by a subsidiary undertaking

#### 7. Debtors: amounts falling due within one year

|   | 27 November<br>2011<br>£'000 | 28 November<br>2010<br>£'000 |
|---|------------------------------|------------------------------|
| Amounts due from subsidiary undertaking | 112,156                      | 103,848                      |
| Taxation – group relief receivable      | 39                           | 39                           |
|   | <u>112,195</u>               | <u>103,887</u>               |

# Thistledove Limited

## Notes to the financial statements 52 weeks period ended 27 November 2011

### 8. Creditors: amounts falling due within one year

|                                     | 27 November<br>2011<br>£'000 | 28 November<br>2010<br>£'000 |
|-------------------------------------|------------------------------|------------------------------|
| Amounts owed to parent undertakings | <u>136,666</u>               | <u>126,543</u>               |

### 9. Share capital

|  | 27 November<br>2011<br>£ | 28 November<br>2010<br>£ |
|--|--------------------------|--------------------------|
| <b>Authorised:</b>                         |                          |                          |
| 800,000 ordinary shares of 1p each         | <u>8,000</u>             | <u>8,000</u>             |
| <b>Allotted, called up and fully paid:</b> |                          |                          |
| 761,767 ordinary shares of 1p each         | <u>7,618</u>             | <u>7,618</u>             |

### 10 Reconciliation of shareholders' funds and movement on reserves

|                     | Called up<br>share<br>capital<br>£'000 | Share<br>premium<br>account<br>£'000 | Profit<br>and loss<br>account<br>£'000 | Other<br>reserves<br>£'000 | Total<br>2011<br>£'000 | Total<br>2010<br>£'000 |
|---------------------|--|--------------------------------------|--|----------------------------|------------------------|------------------------|
| At 28 November 2010 | 8                                      | 30,159                               | (2,083)                                | 45,000                     | 73,084                 | 74,296                 |
| Loss for the period | -                                      | -                                    | (1,815)                                | -                          | (1,815)                | (1,212)                |
| At 27 November 2011 | <u>8</u>                               | <u>30,159</u>                        | <u>(3,898)</u>                         | <u>45,000</u>              | <u>71,269</u>          | <u>73,084</u>          |

### 11 Contingent liabilities

There are cross guarantees in place between the company and some group undertakings in respect of the group's bank loans

### 12. Parent undertaking and controlling party

The company's immediate and ultimate parent undertaking and controlling party is Martin McColl Retail Group Limited, which is incorporated in Great Britain and registered in England and Wales. Martin McColl Retail Group Limited is the smallest and largest group of which the company is a member and for which group financial statements are prepared. Copies of these group financial statements are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.