

Company Registration No. 03827277

**The Carphone Warehouse UK
Limited**

**Report and Financial Statements
For the 13 month period ended 02 May
2015**



The Carphone Warehouse UK Limited

Report and financial statements

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The Carphone Warehouse UK Limited

Report and financial statements

Officers and professional advisers

Director

M Roy
A Sunderland (appointed 20 March 2015)

Secretary

F Bembridge (resigned 1 May 2014)
A Sunderland (resigned 20 March 2015)
J Begon (appointed 1 May 2014, resigned 20 March 2015)
K Atterbury (appointed on 20 March 2015, resigned 14 August 2015)
J Foo (appointed 14 August 2015)

Registered office

1 Portal Way
London
W3 6RS

Bankers

HSBC Bank PLC
Level 19, 8 Canada Square
London
E14 5HQ

The Carphone Warehouse UK Limited

Strategic report

The strategic report has been prepared for The Carphone Warehouse UK Limited ('Company') and in preparing this strategic report the directors of the Company ('Directors') have complied with s 414C of the Companies Act 2006

Principal activity

The principal activity of the Company is the management of commercial property

Review of the business

The profit for the financial period was £57,000 (2014 £84,000)

The principal income for the Company is rental income and the principal expense is costs associated with the maintenance of those rental properties

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 risks the Directors consider relevant to this Company are interest rate risk and credit risk. Funding for all subsidiaries of Dixons Carphone plc (formerly Carphone Warehouse Group plc), including the Company, is arranged centrally. The group regularly monitors interest rate risk and does not trade or speculate in any financial instruments.

The Company's credit risk is primarily attributable to receivables from fellow group undertakings. The amounts presented in the balance sheet are net of provisions for doubtful debts. A provision for doubtful debts is made where the full amounts may not be recovered.



A Sunderland
27 January 2016

The Carphone Warehouse UK Limited

Director's report

The Directors present their annual report on the affairs of the Company, together with the financial statements for the period ended 02 May 2015

Dividends

The Directors do not recommend the payment of a final dividend for the period (2014 £nil)

Going concern basis

As further described in note 1, 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. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements

Directors

The Directors who served throughout the period and subsequently 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, the Company operates in accordance with group policies

Donations

The Company made no charitable or political donations in the period (2014 £nil)

Audit exemption

For the period ended 02 May 2015 the Company was entitled to exemption from audit under s 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 period in question in accordance with s 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



A Sunderland
21 January 2016

The Carphone Warehouse UK Limited

Director's 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 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.

The Carphone Warehouse UK Limited

Profit and loss account

For the 13 month period ended 02 May 2015

		02 May 2015 £'000	29 March 2014 £'000
	Note		
Turnover	2	1,369	2,959
Cost of sales		<u>(1,304)</u>	<u>(2,818)</u>
Gross profit		65	141
Administrative expenses		<u>(47)</u>	<u>(93)</u>
Profit before interest and taxation		18	48
Interest receivable and similar income	6	<u>39</u>	<u>36</u>
Profit on ordinary activities before taxation	3	57	84
Tax on profit on ordinary activities	7	<u>-</u>	<u>-</u>
Profit for the financial year		<u><u>57</u></u>	<u><u>84</u></u>

There are no recognised gains and losses in either period other than the profit for the period and accordingly no separate statement of total recognised gains and losses is presented

All results for both periods arise from continuing activities

The Carphone Warehouse UK Limited

Balance sheet As at 02 May 2015

	Note	02 May 2015 £'000	29 March 2014 £'000
Current assets			
Debtors	9	69	50
Cash and Cash equivalents		7,338	7,300
Net assets		<u>7,407</u>	<u>7,350</u>
Capital and reserves			
Called-up share capital	10	5,000	5,000
Profit and loss account	11	<u>2,407</u>	<u>2,350</u>
Total shareholder's funds	12	<u>7,407</u>	<u>7,350</u>

For the period ended 02 May 2015 the Company was entitled to exemption from audit under s 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 period in question in accordance with s 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 The Carphone Warehouse UK Limited, registered number 03827277, were approved and signed by the Director on January 2016



A Sunderland
29 January 2016

The Carphone Warehouse UK Limited

Notes to the accounts

For the 13 months ended 02 May 2015

1. Accounting policies

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

Basis of accounting

The financial statements are prepared under the historical cost convention.

The Company has taken advantage of the exemption under FRS 1 not to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of Dixons Carphone plc, a Company registered in Great Britain that prepares consolidated accounts (including the results of the Company) for the year, that are publicly available.

Going concern

The Company's activities are set out in the strategic report on page 2. The Company meets its day to day working capital requirements through its cash and cash equivalents balance.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show the Company should be able to operate within the level of its current cash balance.

After making enquiries, the Directors have formed a judgement that, at the time of approving the financial statements, and having considered the Company's forecasts and projections that there is a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. For this reason, the Director continues to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover is stated net of VAT and other sales related taxes, and comprises income from management of commercial property. All such revenue is recognised as it is earned over the life of the relevant contracts.

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.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

The Carphone Warehouse UK Limited

Notes to the accounts (continued) For the 52 weeks ended 02 May 2015

2. Turnover

Turnover, which originates in the UK, is wholly attributable to the principal activity of the Company

3. Profit on ordinary activities before taxation

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

	13 months ended 02 May 2015 £'000	52 weeks ended 29 March 2014 £'000
Rentals under operating leases – land and buildings	685	1,651
Rents receivable	(81)	(66)
	<u>604</u>	<u>1,585</u>

4. Director's remuneration

The Directors did not receive any remuneration in respect of services to the Company for the period ended 02 May 2015(2014 £nil)

5. Employee costs

There were no employees during the current or prior period

6. Interest receivable and similar income

	13 months ended 02 May 2015 £'000	52 weeks ended 29 March 2014 £'000
Interest receivable	39	36
	<u>39</u>	<u>36</u>

The Carphone Warehouse UK Limited

Notes to the accounts (continued) For the 52 weeks ended 02 May 2015

7. Tax on profit on ordinary activities

There was no current or deferred tax charge in either the current or preceding period

The difference between the total current tax of £nil (2014 £nil) 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	52 weeks ended 29 March 2014 £'000
Profit on ordinary activities before tax	<u>57</u>	<u>84</u>
Profit on ordinary activities before tax at standard UK corporation tax rate of 20.92% (2014 23%)	12	19
Effects of - tax losses utilised within the group	<u>(12)</u>	<u>(19)</u>
Current tax	<u>-</u>	<u>-</u>

No payment has been received or made for tax losses surrendered to/claimed from other group 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 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.

8. Dividends

There were no dividend payments made during the period (2014 £nil)

9. Debtors

	02 May 2015 £'000	29 March 2014 £'000
Amounts owed by group undertakings	66	47
Other debtors	<u>3</u>	<u>3</u>
	<u>69</u>	<u>50</u>

The Carphone Warehouse UK Limited

Notes to the accounts (continued) For the 52 weeks ended 02 May 2015

10. Share capital

	02 May 2015 £'000	29 March 2014 £'000
Called-up, allotted and fully-paid:		
5,000,000 ordinary shares of £1 each	5,000	5,000

11. Capital and reserves

	Share capital £'000	Profit and loss account £'000	Total £'000
At 30 March 2014	5,000	2,350	7,350
Profit for the financial period	-	57	57
At 02 May 2015	5,000	2,407	7,407

12. Reconciliation of movements in shareholder's funds

	02 May 2015 £'000	29 March 2014 £'000
Profit for the financial period	57	84
Net movement in shareholder's funds	57	84
Opening shareholder's funds	7,350	7,266
Closing shareholder's funds	7,407	7,350

13. Financial commitments

Annual commitments under non-cancellable operating leases, all of which relate to land and buildings, are as follows

	02 May 2015 £'000	29 March 2014 £'000
Operating leases which expire		
- within one year	185	434
- between one and five years	14	330
	199	764

The Carphone Warehouse UK Limited

Notes to the accounts (continued) For the 52 weeks ended 02 May 2015

14. Parent undertaking and controlling party

The immediate parent company of The Carphone Warehouse UK Limited is Carphone Warehouse Europe Limited, a company incorporated in Great Britain, whose principal place of business is at 1 Portal Way, London, W3 6RS

The parent company of the largest and smallest group to consolidate these financial statements 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, of which the Company was a member, are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ

15. Related party transactions

The Company has taken advantage of the exemption allowed by FRS 8 not to disclose transactions with 100% group owned companies

