

Company Registration No. 03966947

**The Carphone Warehouse (Digital)
Limited**

**Report and Financial Statements
For the year ended 31 March 2014**

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The Carphone Warehouse (Digital) Limited

Report and financial statements 2014

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The Carphone Warehouse (Digital) Limited

Report and financial statements 2014

Officers and professional advisors

Directors

N Langstaff (resigned 2 January 2015)
T Morris (resigned 7 January 2015)
A Sunderland (appointed 7 January 2015)
P James (appointed 7 January 2015)

Registered office

1 Portal Way
London
W3 6RS

The Carphone Warehouse (Digital) Limited

Strategic report

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

Principal activity

The principal activity of the company is that of an investment holding company. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

The company is a wholly owned subsidiary of Dixons Carphone plc (formerly Carphone Warehouse Group plc).

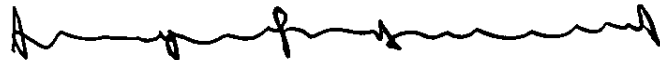
Review of the business

The profit for the financial year was £17,996 (2013 – loss of £89,009).

Given the principal activity of the company, the directors do not consider there to be any key performance indicators.

Risk management

Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risk the directors consider relevant to this company is interest rate risk. Funding for all subsidiaries of Dixons Carphone plc, including the company, is arranged centrally. The group regularly monitors interest rate risk and does not trade or speculate in any financial instruments.



A Sunderland

Director

6 January 2015

The Carphone Warehouse (Digital) Limited

Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements for the year ended 31 March 2014

Dividends

The directors do not recommend the payment of a dividend for the year (2013 - £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 did not make any charitable or political donations in the period (2013 - £nil)

Audit exemption

For the year ended 31 March 2014 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



A Sunderland

Director

8 January 2015

The Carphone Warehouse (Digital) Limited

Directors' 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 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.

The Carphone Warehouse (Digital) Limited

Profit and loss account

For the year ended 31 March 2014

		Year ended 31 March 2014 £	Year ended 31 March 2013 £
	Note		
Other operating income		98,200	247,698
Operating expenses		<u>(80,204)</u>	<u>(336,707)</u>
Profit (loss) on ordinary activities before taxation	2	17,996	(89,009)
Tax on profit (loss) on ordinary activities	4	<u>-</u>	<u>-</u>
Profit (loss) for the financial year		<u>17,996</u>	<u>(89,009)</u>

There are no recognised gains or losses in either year other than the profit (loss) for that year, accordingly no separate statement of total recognised gains and losses has been presented. All results arise from continuing activities.

The Carphone Warehouse (Digital) Limited

Balance sheet At 31 March 2014

	Note	31 March 2014 £	31 March 2013 £
Fixed assets			
Investments	5	151,776	151,776
Current assets			
Debtors	6	357,561	339,565
Net current assets		357,561	339,565
Net assets		509,337	491,341
Capital and reserves			
Called-up share capital	7	3	3
Profit and loss account	8	509,334	491,338
Total shareholders' funds	9	509,337	491,341

For the year ended 31 March 2014 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 of The Carphone Warehouse (Digital) Limited, registration number 03966947, were approved by the board of directors on 8 January 2015 and signed on its behalf by



A Sunderland
Director

The Carphone Warehouse (Digital) Limited

Notes to the financial statements For the year ended 31 March 2014

1. Accounting policies

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

Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

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 incorporated in Great Britain that prepares consolidated accounts that are publicly available.

Going concern

The company's activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 2.

The company meets its day-to-day working capital requirements through intercompany funding. 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 available resources for the foreseeable future.

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, 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.

Investments

Investments held as fixed assets are stated at cost less provision for impairment.

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 periods 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.

Other operating income and dividends

Dividends receivable from the company's investments are recognised when they are approved by shareholders, or in the case of interim dividends, when paid.

The Carphone Warehouse (Digital) Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

2 Profit (loss) on ordinary activities before taxation

The company was exempt from audit in the current year and therefore no audit fee was paid or accrued. The company's audit fee in the previous year was borne by its parent company. The auditors 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 respect of their services to the company during the year (2013 - £nil). The company does not have any employees (2013 - nil).

4 Tax on profit (loss) on ordinary activities

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
The tax credit comprises		
Current tax		
UK corporation tax	-	-
Total current tax	-	-

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

The difference between the current tax credit of £nil (2013 - £nil) and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Profit (loss) on ordinary activities before tax	17,996	(89,009)
Tax on profit (loss) on ordinary activities before tax at standard UK corporation tax rate of 23% (2013 - 24%)	4,139	(21,362)
Effects of		
- items attracting no relief or liability	(22,586)	(59,448)
- group losses surrendered for £nil consideration	18,447	80,810
Current tax credit	-	-

The standard rate of corporation tax reduced from 24% to 23% from 1 April 2013 in accordance with the Finance Act 2012. The Finance Act 2013 was substantively enacted on 2 July 2013 and reduced the standard rate of UK corporation tax from 23% to 21% with effect from 1 April 2014, and then to further reduce it to 20% from 1 April 2015.

The Carphone Warehouse (Digital) Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

5. Investments

	£
Cost and net book value	
At 31 March 2013	151,776
At 31 March 2014	151,776

The company holds minority interests in the following companies

Name	Nature of business	Country of incorporation	Proportion
Switchdigital (Scotland) Limited	Digital radio licensing	Great Britain	8.0%
Switchdigital (London) Limited	Digital radio licensing	Great Britain	9.5%
The Digital Radio Group (London) Limited	Digital radio licensing	Great Britain	9.1%

6 Debtors

	31 March 2014 £	31 March 2013 £
Called-up share capital not paid	3	3
Amounts due from group undertakings	357,558	339,562
	<u>357,561</u>	<u>339,565</u>

Amounts due from group undertakings attract no interest

7 Share capital

	31 March 2014 £	31 March 2013 £
<i>Allotted, called-up and unpaid</i>		
3 ordinary shares of £1 each	<u>3</u>	<u>3</u>

The Carphone Warehouse (Digital) Limited

Notes to the financial statements (continued) For the year ended 31 March 2014

8. Profit and loss account

	£
At 31 March 2013	491,338
Profit for the financial year	17,996
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At 31 March 2014	509,334
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9. Reconciliation of movements in shareholders' funds

	Year ended 31 March 2014 £
Profit for the financial year	17,996
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Net movement in shareholders' funds	17,996
Opening shareholders' funds	491,341
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Closing shareholders' funds	509,337
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10 Parent undertaking and controlling party

The immediate and ultimate parent company of Carphone Warehouse (Digital) Limited 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

11 Related party transactions

The company has taken advantage of the exemption under FRS 8 "Related Party Disclosures" not to disclose transactions with 100% group owned companies