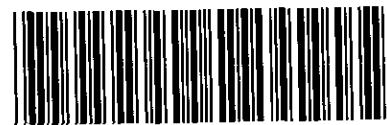


Company Registration No. 06095563

SIMPLIFY DIGITAL LIMITED

**Annual Report and Financial Statements
For the year ended 1 May 2021**

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SIMPLIFY DIGITAL LIMITED REPORT AND FINANCIAL STATEMENTS 2021

CONTENTS	Page
Officers and professional advisers	1
Strategic report	Error! Bookmark not defined.
Directors' report	2
Statement of Directors' responsibilities	3
Income statement	4
Balance sheet	5
Statement of changes in equity	6
Notes to the financial statements	7

**SIMPLIFY DIGITAL LIMITED
OFFICERS AND PROFESSIONAL ADVISORS**

DIRECTORS

K Jamieson (appointed 1 September 2021)
R D Martin
J P Mason (resigned 9 July 2021)

COMPANY SECRETARY

S Thomas

REGISTERED OFFICE

1 Portal Way
London
W3 6RS
United Kingdom

BANKERS

HSBC
8 Canada Square
London
E14 5HQ
United Kingdom

SIMPLIFY DIGITAL LIMITED DIRECTOR'S REPORT

The Director presents the annual report and the unaudited financial statements for the year ended 1 May 2021. Comparative figures are presented for the year ended 2 May 2020.

This report is prepared in accordance with the provisions applicable to companies entitled to the small companies exemption Section 415(a) of the Companies Act 2006. The exemption available from the requirements to prepare a strategic report has been taken in line with Section 414B of the Companies Act 2006.

PRINCIPAL ACTIVITY AND FUTURE DEVELOPMENTS

The Company has ceased trading and is expected to become dormant in future periods.

RESULTS AND DIVIDENDS

The loss for the year after taxation was £202,000 (2019/20: profit after taxation of £260,000). The Director recommends that no dividend be paid (2019/20: £nil).

GOING CONCERN

After making enquiries, the Director has 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 Director continues to adopt the going concern basis in preparing the financial statements.

DIRECTORS

The Directors who served throughout the period and subsequently (except as noted) are shown on page 1.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Pursuant to Article 26 of the Articles of Association, the Directors, Secretary and other officers of the Company are entitled to be indemnified by the Company out of its own funds against liabilities arising from the conduct of the Company's business to the extent permitted by law. Appropriate directors' and officers' liability insurance cover has been purchased which in general terms indemnifies individual directors' and officers' personal legal liability and costs for claims arising out of actions taken in connection with the Company's business.

AUDIT EXEMPTION

For the year ended 1 May 2021, the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities in respect of audit exemption:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with Section 476 of the Companies Act 2006; and
- The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the Board and authorised for issue and signed on behalf of the Board by:



R D Martin

Director
7 April 2022

Registered office:
1 Portal Way
London
W3 6RS
Registered number: 06095563

SIMPLIFY DIGITAL LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- follow applicable UK Accounting Standards, 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

SIMPLIFY DIGITAL LIMITED
INCOME STATEMENT
For the year ended 1 May 2021

		Year ended 1 May 2021 £'000	Year ended 2 May 2020 £'000
	Note		
Administrative expenses		(20)	(14)
Asset impairments	4	(182)	139
(Loss) / profit before interest and tax		(202)	125
Finance income	3	-	17
(Loss) / profit before tax		(202)	142
Tax credit	5	-	118
(Loss) / profit for the year attributable to equity shareholders of the company		(202)	260

There are no other items of comprehensive income or expense other than the (loss) / profit for the current and preceding periods and therefore no separate Statement of Comprehensive Income has been prepared. All activities derive from discontinued operations.

SIMPLIFY DIGITAL LIMITED
BALANCE SHEET
As at 1 May 2021

	Note	1 May 2021 £'000	2 May 2020 £'000
Current assets			
Trade and other receivables	6	6,647	551
Cash and cash equivalents	7	-	6,548
		<u>6,647</u>	<u>7,099</u>
Total assets		<u>6,647</u>	<u>7,099</u>
Current liabilities			
Trade and other payables	8	(6,621)	(6,871)
		<u>(6,621)</u>	<u>(6,871)</u>
Net current assets		<u>26</u>	<u>228</u>
Total assets less current liabilities		<u>26</u>	<u>228</u>
Total liabilities		<u>(6,621)</u>	<u>(6,871)</u>
Net assets		<u>26</u>	<u>228</u>
Capital and reserves			
Share capital	9	2	2
Share premium account		4,171	4,171
Retained earnings		(4,147)	(3,945)
Total equity		<u>26</u>	<u>228</u>

For the financial year in question the company was entitled to exemption under section 479a of the Companies Act 2006. No members have required an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The Director acknowledges his responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These financial statements of Simplify Digital Limited (registered number 06095563) were approved and authorised for issue by the Board on 7 April 2022 and signed on its behalf by:



R D Martin
Director

Registered number: 06095563

SIMPLIFY DIGITAL LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 1 May 2021

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
At 27 April 2019	2	4,171	(4,205)	(32)
Profit and total comprehensive income	-	-	260	260
At 2 May 2020	2	4,171	(3,945)	228
Loss and total comprehensive expense	-	-	(202)	(202)
At 1 May 2021	2	4,171	(4,147)	26

SIMPLIFY DIGITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1 Basis of preparation and general information

Simplify Digital Limited ("the Company") is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006. The Company is domiciled in the United Kingdom and is registered in England and Wales with its registered office at 1 Portal Way, London, W3 6RS. The nature of the Company's operations and its principal activities are set out in the Director's 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, these financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council, incorporating the Amendments to FRS 101 issued by the Financial Reporting Council.

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 a cash flow statement, impairment of assets, standards not yet effective and related party transactions. Where relevant, equivalent disclosures have been given in the group financial statements of Currys plc.

The financial statements have been presented in Pound Sterling, the functional currency of the Company derived from the Company's primary economic environment, and on the historical cost basis.

There are no new accounting standards, amendments to standards or IFRIC interpretations which are effective for the Company for the first time during the current financial year ended 1 May 2021 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

After making enquiries, the Director has 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 Director continues to adopt the going concern basis in preparing the financial statements.

1.3 Taxation

The tax expense represents the sum of the currently payable and deferred tax. The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible. The liability for the current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences that can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

SIMPLIFY DIGITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1.4 Non-derivative 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 cash and cash equivalents and those receivables which involve a contractual right to receive cash from external parties. Financial assets comprise all items shown in notes 6 and 7.

When the Company recognises a financial asset, it classifies it in accordance with IFRS 9 depending on the Company's intention with regard to the collection, or sale, of contractual cash flows and whether the financial asset's cash flows relate solely to the payment of principal and interest on the principal outstanding. All of the Company's assets measured at amortised cost are subject to impairments driven by the expected credit loss (ECL) model. The Company has adopted the simplified approach to calculate lifetime expected credit losses. Historical credit loss rates are applied consistently to groups of financial assets with similar risk characteristics. These are then adjusted for known changes in, or any forward-looking impacts on creditworthiness.

Financial assets are derecognised 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.

Trade and other receivables

Trade and other receivables are initially measured at their transaction price. Where there is a significant financing component, trade and other receivables are discounted at contract inception using a discount rate that is at an arm's length basis and such that would be reflected in a separate financing transaction between the Company and the customer. Other receivables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Subsequently, trade and other receivables are measured at amortised cost.

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 covered, the estimated cashflows of the counterparty and subsidiary companies with the ability to distribute cash to it are considered.

Cash and cash equivalents

Cash and cash equivalents are classified as held at amortised cost, comprising cash at bank and in hand, bank overdrafts and short term highly liquid deposits which are subject to an insignificant risk of changes in value. Bank overdrafts and certain bank accounts that are part of a notional pooling mechanism whereby each bank only monitors net aggregate borrowings against group surplus or overdraft limits are shown under current liabilities.

1.5 Non-derivative financial liabilities

The Company's financial liabilities are those which involve a contractual obligation to deliver cash to external parties at a future date. Financial liabilities comprise all items shown in note 8. Financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities (or a part of a financial liability) are derecognised when the obligation specified in the contract is discharged, cancelled or expires. In the event that the terms in which the Company are contractually obliged are substantially modified, the financial liability to which it relates is derecognised and subsequently re-recognised on the modified terms.

Trade and other payables

Trade and other payables are initially recorded at fair value and subsequently measured at amortised cost.

1.6 Interest income and expense

Interest income and expense is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

1.7 Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The Director has considered whether there are any such sources of estimation or critical accounting judgements in forming the financial statements and do not determine there to be any for the purposes of disclosure.

SIMPLIFY DIGITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. EMPLOYEES AND DIRECTORS

The directors did not receive any remuneration during the year for services to the Company (2019/20: £nil).
The Company had no employees during the year (2019/20: nil).

3. FINANCE INCOME

	Year ended 1 May 2021 £'000	Year ended 2 May 2020 £'000
Bank interest	-	17
Finance income	-	17

SIMPLIFY DIGITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. (LOSS) / PROFIT BEFORE TAX

	Year ended 1 May 2021 £'000	Year ended 2 May 2020 £'000
The (loss) / profit before tax is stated after charging / (crediting):		
Impairment of other assets	<u>182</u>	<u>(139)</u>

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

The impairment during the year primarily relates to the write off of an intercompany receivable. For the year ended 2 May 2020, the credit related to the reversal of impairment of other assets deemed not to be recoverable following the transfer of the Simplify Digital business to a fellow group company, The Carphone Warehouse Limited, during the year ended 27 April 2019.

5. TAX

	Year ended 1 May 2021 £'000	Year ended 2 May 2020 £'000
Current tax:		
Adjustments in respect of prior periods	-	(118)
Total current tax credit	-	(118)
Total tax credit	<u>-</u>	<u>(118)</u>

A reconciliation of notional to actual income tax (credit) / expense is set out below:

	Year ended 1 May 2021 £'000	Year ended 2 May 2020 £'000
(Loss) / profit before tax	<u>(202)</u>	<u>142</u>
(Loss) / profit multiplied by the standard rate of corporation tax in the UK of 19% (2020: 19%)	(38)	27
Effects of:		
Group relief surrendered / (received) free of charge	38	(1)
Other items attracting no tax relief or liability	-	(26)
Adjustments in respect of prior periods	-	(118)
Tax credit for the period	<u>-</u>	<u>(118)</u>

On 24 May 2021 the Finance Bill 2021 passed through all stages in the House of Commons and became substantively enacted, which included a legislative change to increase the rate of corporation tax to 25% with effect from 1 April 2023. As the Bill was not substantively enacted at the balance sheet date, its effects are not included in these financial statements.

SIMPLIFY DIGITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. TRADE AND OTHER RECEIVABLES

	1 May 2021 £'000	2 May 2020 £'000
Amounts due from ultimate parent company	6,096	-
Amounts due from fellow group subsidiaries	551	551
	6,647	551

Amounts due from ultimate parent company are receivable within 12 months and bear interest at the Group's average deposit rate.

Amounts due from fellow group subsidiaries above are repayable within 30 – 60 days and do not bear interest.

7. CASH AND CASH EQUIVALENTS

	1 May 2021 £'000	2 May 2020 £'000
Cash at bank	-	6,548

8. TRADE AND OTHER PAYABLES

	1 May 2021 £'000	2 May 2020 £'000
Amount due to fellow group subsidiaries	6,621	6,871
	6,621	6,871

Amounts due to fellow group subsidiaries above are payable within 30 – 60 days and do not bear interest.

SIMPLIFY DIGITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. SHARE CAPITAL

Share capital

	1 May 2021 £'000	2 May 2020 £'000
Allotted and fully paid		
2,415,548 ordinary shares of £0.001 each	2	2

All shares carry equal voting rights.

10. ULTIMATE CONTROLLING ENTITY

The Company's immediate parent and controlling entity is Currys Holdings Limited, a company incorporated in the United Kingdom.

The Company's ultimate parent and controlling entity is Currys plc, a company incorporated in the United Kingdom and which is registered in England and Wales. Currys plc is 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.

11. SUBSEQUENT EVENTS

On 15 September the Company's immediate parent and controlling entity changed its name from Dixons Carphone plc to Currys plc.

On 5 October the Company's immediate parent entity changed its name from Dixons Carphone Holdings Limited to Currys Holdings Limited.