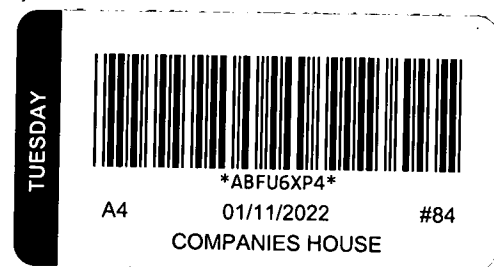


Company Registration No. 09304672

iD Mobile Limited

Annual Report and Financial Statements
For the year ended 30 April 2022



iD Mobile Limited
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 April 2022

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R. Martin	
B. Marsh	(Appointed 1 September 2021)
J. Mason	(Resigned 9 July 2021)

COMPANY SECRETARY

S. Thomas

REGISTERED OFFICE

1 Portal Way
London
W3 6RS
United Kingdom

BANKERS

HSBC Bank Plc
8 Canada Square
London
E14 5HQ
United Kingdom

AUDITOR

Deloitte LLP
Statutory Auditor
London
United Kingdom

iD Mobile Limited

STRATEGIC REPORT

This Strategic Report has been prepared for iD Mobile Limited ("the Company") and in preparing this Strategic Report the Directors of the Company ("Directors") have complied with s.414C of the Companies Act 2006. The current accounting period is for the year ended 30 April 2022.

PRINCIPAL ACTIVITY

The principal activity during the year ended 30 April 2022 ("the year") was the provision of managed services and customer connections to third-party Mobile Operators. The Company is a wholly-owned subsidiary of Currys plc ("Currys") (formerly Dixons Carphone plc). Currys and its subsidiaries ("the Group") operates as an omnichannel retailer of technology products and services across a range of European markets.

REVIEW OF THE BUSINESS

The profit for the financial year 2021/22 was £24,210,000 (2020/21: £19,864,000). Current and prior year profit reflects the in-year customer connections. The increase in profit can be partly attributable to a fall in OPEX due to decreased IT costs in 2021/22. In addition, the application of RPI increases on end consumer contracts relating to performance obligations satisfied in prior periods was £1.9m (2020/21: £0.4m).

The Company operated a retail agreement to procure customers and continues to operate management services agreements to provide customer support and billing services for the iD customer base. Currys manages its operations on a divisional basis. For this reason, the Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of Currys and a description of the principal risks and uncertainties, which includes the Company, is discussed in Currys's annual report, which does not form part of this report.

PRINCIPAL RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

Funding for all subsidiaries of Currys, including iD Mobile Limited, is arranged centrally.

The Company does not use derivatives to manage its financial risks. Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the main financial risk the Directors consider relevant to this Company is credit risk and network commission receivables valuation risk. Credit risk is mitigated by the Company's credit control policies. The Company is also exposed to liquidity risk, this is mitigated largely as a result of ongoing commitments provided by the Company's ultimate parent. These policies are further explained on pages 58 to 64 of its 2021/22 Annual Report and Accounts.

The Company is also exposed to market risk, the risk that the Company does not respond with a business model that enables it to compete against a broad range of competitors on service and price. The Company manages this risk by working alongside the Group, having announced mobile as a strategic priority to better reflect what customers want: flexibility, transparency and value.

Risks associated with supply chain resilience, sustainability and the potential impact these risks have to economic uncertainty and customer confidence are mitigated on a group level. Details can be found on pages 58 to 64 of the Currys 2021/22 Annual Report and Accounts.

The valuation (and therefore recoverability) of the network commission receivable is dependent on future customer behaviour over the forecast period of anticipated cash receipts. Details of network commission receivables consumer behaviour risk and mitigation are further explained in note 14 of Currys Annual Report.

FUTURE DEVELOPMENTS

During 2021/22 the parent company, Currys, continued to implement the Group's previously announced vision and strategy: 'We Help Everyone Enjoy Amazing Technology'; We help customers choose, afford and enjoy amazing technology however they choose to shop with us

As the single-most important piece of technology, mobile remains central to our vision, and our strategic priorities build on our strengths to help everyone enjoy amazing technology. These include nurturing capable and committed colleagues, providing customers with a truly seamless omnichannel shopping experience, and building customers for life. The principal activities of the Company are not envisaged to change in the foreseeable future.

iD Mobile Limited
STRATEGIC REPORT continued
Section 172(1) statement

Section 172(1) of the Companies Act 2006 requires each director to act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

The Currys Board (within which iD Mobile Limited is in its remit) is the main decision-making body and is responsible for promoting the long-term sustainable success of the Company. As part of the decision making process, the Board considers the stakeholders that may be impacted and the interests of those stakeholders including the matters listed in section 172(1).

The Company is an indirect wholly owned subsidiary of Currys, which is listed on the London Stock Exchange and subject to the 2018 UK Corporate Governance Code. The Currys Annual Report section 172(1) statement is available from page 34 of its 2021/22 annual report and accounts and describes how the Group engages with stakeholders on behalf of all Group subsidiaries and complies with section 172(1). A clear corporate governance structure is in place which, together with the Group's Delegated Authority Policy, ensures that business decisions are made by the appropriate people, in the appropriate forum (in accordance with the terms of reference of that forum), and the relevant stakeholder considerations are embedded as part of decision-making processes.

The meeting papers for the Currys Board meetings include, for reference, a summary of section 172(1) responsibilities immediately after each meeting agenda. Their Board decision paper templates include mandatory fields for papers' authors to include an impact assessment on each stakeholder group. The Board acknowledges that decisions made will not necessarily result in a positive outcome for every stakeholder group. By considering the Currys purpose, vision and values together with its strategic priorities and having a process in place for decision-making, the Board of the Company does, however, aim to make sure that all decisions are considered and made following reflection across a broader view of stakeholder considerations.

The Company has the following main stakeholder groups:

Our Customers - Customer engagement is led by the Currys Board and details of the approach taken are on page 37 of the 2021/22 Currys Annual Report and Accounts. The Company uses a Voice of Customer dashboard to monitor customer feedback, use this feedback to generate improvements and to incorporate customer views in decision making. While verbatim customer feedback is captured from thousands each week to gain insights and help the business better understand customer expectations, machine learning and AI solutions are used to quantify the sentiment of the comments and is considered by the directors as part of Board decision-making. ShopLive UK provides customers in the UK with an in-store experience from their own homes via video link with sales colleagues. This functionality enables customers to receive advice on tablets and handsets to ensure that customers, including the most vulnerable, can benefit from store colleagues' expertise remotely. The Currys Board receives regular updates on the performance of ShopLive UK.

Our Colleagues - Colleague engagement for the Group is led by the Board of Currys and details of the approach taken are included on page 38 of the 2021/22 Currys Annual Report and Accounts. The Company received regular updates on colleague matters and the results of colleague engagement surveys during the year. Some of the key components in place in to support colleagues are a central 'People Place' intranet site which is available to UK & Ireland colleagues and provides access to all HR policies and allows them to log any issues or questions, and a 'well-being corner' Intranet site. A central International Colleague Forum is also in place to unify the long-term existing forums into a single listening and engagement forum for all colleagues. In addition, a Colleague Shareholder Award scheme is in place to allow colleagues to share in the success of the business. Further details of this scheme are available in the Remuneration Report of the 2021/22 Currys Annual Report and Accounts on pages 114 to 147.

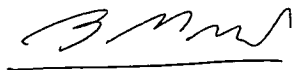
Section 172(1) statement continued

Our **Communities and Environment** – A description of how the Company, as part of the Currys Group, engages with the wider communities on environment, sustainability and charitable matters is on pages 40-55 of the 2021/22 Currys Annual Report and Accounts, including our commitment to achieve net zero emissions by 2040.

Our **Suppliers** – Supplier engagement is led by the Board of Currys and details of the approach taken are included on page 39 of the 2021/22 Currys Annual Report and Accounts. The Group Chief Executive participates in regular meetings with the Company's largest suppliers and receives regular supplier updates from the Chief Commercial Officer.

Our **Shareholders** - the Company's ultimate shareholder is Currys and there is engagement with and reporting to the Currys Board as part of the Group's corporate governance and risk and control frameworks. The Executive Directors of the Currys Board are directors of the Company and a non-executive director of the Currys Board attends Board meetings of the Company to ensure independent oversight. Information on how Currys engages with shareholders is available on page 39 of the Currys 2021/22 Annual Report and Accounts.

The Strategic Report was approved by the Board and authorised for issue and signed on behalf of the Board by:



B Marsh
Director

25 October 2022

Registered office:
1 Portal Way
London
W3 6RS
Company Registration No. 09304672

iD Mobile Limited
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 year ended 30 April 2022. Comparative information is presented for the year ended 1 May 2021. Details of future developments, how the Company works with suppliers, fosters relationships with customers and the principal risks and uncertainties can be found in the Strategic Report on pages 2 to 4 and form part of this report by cross reference.

Going concern basis

In considering the going concern basis for preparing the financial statements, the Directors have considered the Company's objectives and strategy, risks and uncertainties in achieving its objectives and its business performance, as set out within this strategic report.

After reviewing the Company's expenditure commitments, current financial projections and expected future cash flows, together with the available cash resources and undrawn committed borrowing facilities, the Directors have considered that adequate resources exist for the Company to continue in operational existence for the foreseeable future and at least 12 months from the date of signing these financial statements. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

Financial risk management

The main risk identified is credit risk and this is mitigated as discussed in the principal risks and uncertainties and financial risk management on page 2.

Dividends

The Directors do not recommend the payment of a dividend (2020/21: £nil).

Directors

The Directors of the Company during the year and to the date of this report are listed on page 1.

Employees

The Company places emphasis on its employees' involvement in the business at all levels. Managers are remunerated according to results wherever possible and all employees are kept informed of issues affecting the Company through formal and informal meetings, the employee sharepoint website and through the group's weekly internal communications.

It is the Company's policy to assist the employment of disabled people, their training and career development, having regard to particular aptitudes and abilities. Every endeavour is made to find suitable alternative employment and to re-train any employee who becomes disabled while serving the Company.

Environment

A full analysis of the key regulatory and social risks of the industry in which Currys operates is described in its annual report, which does not form part of this report. As a subsidiary entity, iD Mobile Limited operates in accordance with group policies.

Suppliers

It is the Company's policy to develop and maintain key business relationships with its suppliers to obtain mutually accepted payment terms. Details of how the Company fosters its relationships with suppliers is further disclosed on page 4.

Donations

The Company did not make any charitable or political donations in the year (2020/21: £nil).

Directors' Indemnities

The ultimate parent entity has made qualifying third-party indemnity provisions for the benefit of its directors and those of subsidiary companies, which were made during the year and remain in force at the date of this report.

iD Mobile Limited
DIRECTORS' REPORT (CONTINUED)

Auditor and disclosure of information to the auditor

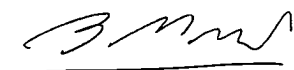
Deloitte LLP has been the Company's external Auditor since the Company was formed on 7 August 2014 by the merger of Carphone Warehouse and Dixons Retail. Deloitte LLP was the external Auditor of Dixons Retail prior to 2014. Currys PLC In accordance with the Competition and Markets Authority Statutory Audit Services Order, which is designed to align with provisions of the EU Regulations on external audit tender and rotation, and current guidance, the last period that Deloitte LLP could have remained as external Auditor will end at the 2021/22 financial year. Following a tender process carried out during 2020/21, KPMG LLP have been appointed as external Auditor for the 2022/23 financial year. The directors will also appoint KPMG LLP as external auditor of this company. In accordance with the provisions of Section 418 of the Companies Act 2006, each of the directors at the date of approval of this report confirms that, to the best of their knowledge and belief, and having made appropriate enquiries of other officers of the Company:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have 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.

Events after the balance sheet date

There were no material events after the balance sheet date.

Approved by the Board of directors and signed on its behalf by:



B Marsh
Director

25 October 2022

Registered office:
1 Portal Way
London
W3 6RS
Company Registration No. 09304672

iD Mobile 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), 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 the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

iD Mobile Limited
INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of iD Mobile Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of iD Mobile Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 April 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Consideration of the nature of the Company, its business model and related risks, the requirements of the applicable financial reporting framework and the system of internal control;
- Consideration of whether the Company is reliant on support from the Ultimate Parent entity and other entities within the Currys plc group and the available cash resources and undrawn committed borrowing facilities available to the Company through the wider Currys plc group;
- Evaluation of the directors' plans for future actions in relation to their going concern assessment; and
- Assessment of the appropriateness of the going concern disclosures in the financial statements

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

iD Mobile Limited
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation and FCA legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the entity's health and safety and environmental regulations.

We discussed among the audit engagement team including relevant internal specialists such as fraud, tax, valuations, IT and industry specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- the valuation of commission receivable due from mobile network operators: we obtained an understanding of the control environment, tested the basis of the estimations made, reviewed management's assessment of the accuracy of historical estimates against subsequent cash received, assessed changes in estimates in comparison to the prior year and external data, assessed the changes in the regulatory environment and reviewed the latest network agreements to ensure that amounts recognised are consistent with the underlying contractual arrangements.

iD Mobile Limited
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override of controls. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in [the strategic report or] the directors' report.

Matters on which we are required to report by exception

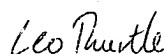
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

Use of our report

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.



Leo Thurtle ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
26 October 2022

iD Mobile Limited
INCOME STATEMENT AND STATEMENT OF OTHER COMPREHENSIVE INCOME
For the year ended 30 April 2022

		Year ended 30 April 2022 £'000	Year ended 1 May 2021 £'000
	Notes		
Turnover	2	100,037	141,135
Cost of sales		<u>(49,620)</u>	<u>(87,595)</u>
Gross profit		50,417	53,540
Operating expenses		<u>(24,825)</u>	<u>(33,042)</u>
Operating profit	2	25,592	20,498
Finance costs	3	<u>(1,698)</u>	<u>(1,072)</u>
Profit before tax		<u>23,894</u>	<u>19,426</u>
Tax	5	<u>316</u>	<u>438</u>
Profit for the year attributable to the owners of the company		<u><u>24,210</u></u>	<u><u>19,864</u></u>

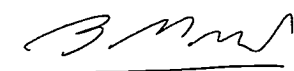
All profits are derived from continuing operations in the UK.

There are no other items of comprehensive income or expense other than the profit for the current year and preceding periods and therefore no statement of comprehensive income has been presented.

iD Mobile Limited
BALANCE SHEET
As at 30 April 2022

		30 April 2022 £'000	1 May 2021 £'000
	Notes		
Non-current assets			
Intangible assets	6	3,313	1,832
Property, plant & equipment	7	-	335
Trade and other receivables	8	20,818	44,078
Deferred tax asset	5	755	438
		<u>24,886</u>	<u>46,683</u>
Current assets			
Trade and other receivables	8	99,002	104,312
		<u>99,002</u>	<u>104,312</u>
Total assets		<u>123,888</u>	<u>150,995</u>
Current liabilities			
Trade and other payables	9	(66,318)	(117,824)
		<u>(66,318)</u>	<u>(117,824)</u>
Net current assets / (liabilities)		<u>32,684</u>	<u>(13,512)</u>
Total liabilities		<u>(66,318)</u>	<u>(117,824)</u>
Net assets		<u>57,570</u>	<u>33,171</u>
Capital and reserves			
Share capital	10	-	-
Profit and loss account		57,570	33,171
Total equity		<u>57,570</u>	<u>33,171</u>

These financial statements were approved and authorised for issue by the directors, and signed on their behalf by:



B Marsh

Director

25 October 2022

Registered office:

1 Portal Way

London

W3 6RS

Company Registration No. 09304672

ID Mobile Limited
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 April 2022

	Notes	Share capital £'000	Profit and Loss account £'000	Total equity £'000
At 2 May 2020		-	13,152	13,152
Profit for the year		-	19,864	19,864
Total comprehensive income for the year		-	19,864	19,864
Share-based payments	11	-	155	155
At 1 May 2021		-	33,171	33,171
Profit for the year		-	24,210	24,210
Total comprehensive income for the year		-	24,210	24,210
Share-based payments	11	-	189	189
At 30 April 2022		-	57,570	57,570

1. ACCOUNTING POLICIES

1.1 Basis of preparation

iD Mobile Limited ("the Company") is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is 1 Portal Way, London, W3 6RS. The nature of the Company's operations and its principal activities are set out in the strategic 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. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as 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 share-based payments, financial instruments, capital management, presentation of a cash flow statement, standards not yet effective and related party transactions. Where relevant, equivalent disclosures have been given in the group financial statements of Currys, as set out in note 12.

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 30 April 2022 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

In considering the going concern basis for preparing the financial statements, the Directors have considered the Company's objectives and strategy, risks and uncertainties in achieving its objectives and its review of business performance as set out in the Strategic Report on pages 2 to 4. As part of the Currys plc group, the Company benefits from the Currys group's total committed borrowing facilities of £543m, which provide the appropriate level of committed financing for the Company's needs. Further information on the funding arrangements and management can be found in notes 18 and 25 of the Currys plc Annual Report and Accounts 2021/22.

In their consideration of going concern, the directors have reviewed the company's future cash forecasts and profit projections, which are based on market data and past experience. The directors are of the opinion that the Group's forecasts and projections, which take into account reasonably possible changes in trading performance, including the potentially prolonged impact of Covid-19 and the impact from inflation exacerbated by the conflict in Eastern Europe, show that the Group is able to operate within its current facilities and comply with its banking covenants for the foreseeable future. In arriving at their conclusion that the company has adequate financial resources, the directors considered the level of borrowings and facilities as set out in note 18 to the Group financial statements and that the Group has a robust policy towards liquidity and cash flow management.

As a result of the uncertainties surrounding the forecasts due to the current macroeconomic environment, the wider Currys group has also modelled a reverse stress test scenario, as funding is arranged centrally. The reverse stress test models the decline in sales that the wider group would be able to absorb before requiring additional sources of financing in excess of those that are committed. Such a scenario, and the sequence of events which could lead to it, is considered to be remote.

1.3 Foreign currency translations and transactions

Transactions in foreign currencies are recorded at the rates of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

1 ACCOUNTING POLICIES (continued)

1.4 Revenue

The company operates under contracts with a Mobile Network Operator ("MNO"). Over the life of these contracts the service provided by the company to the MNO is the procurement of connections to the MNO's networks. The individual consumer enters into a contract with the MNO for the MNO to supply the ongoing airtime over that contract period.

The company earns a commission for the service provided to the MNO ("network commission"). Revenue is recognised at the point the individual consumer signs a contract with the MNO. Consideration from the MNO becomes receivable over the course of the contract between the MNO and the consumer. A judgement associated with this recognition is the unit of account used in recognition. As there is a large population of homogeneous items, in measuring the amount of revenue to recognise the Company has determined that the number and value of consumers provided to the MNO in any given month (a 'cohort') represents the best unit of account.

The level of network commission earned is based on a share of the monthly payments made by the consumer to the MNO, including contractual monthly line rental payments together with a share of 'out-of-bundle' spend, and spend after the contractual term. The total consideration receivable is determined by consumer behaviour after the point of recognition. The transaction price is entirely variable and is therefore an area of estimation.

The method of measuring the value of the revenue and contract asset in the month of connection is to estimate all future cash flows that will be received from the network and discount these based on the expected timing of receipt.

A constrained estimate of the determined commission is recognised in full in the month of connection of the consumer to the MNO as this is the point at which we have completed the service obligation relating to the consumer connection.

Transaction price is estimated based on extensive historical evidence obtained from the networks and an adjustment is made for expected and possible changes in consumer behaviour including as a result of regulatory changes impacting the sector. The consideration for a cohort of consumers is estimated by modelling the expected value of the portfolio of individual sales. Revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of revenue recognised will not occur. The directors make a quarterly assessment of this data. This is based on the best estimate of expected future trends.

Network commission revenue recognised on fulfilment of the service obligation results in a contract asset as none of the amount is receivable from the network on point of sale. Over time, and dependent on the future behaviour of the consumer, amounts initially recognised as contract assets become payable by the network to the Company and are transferred to trade receivables.

Contract assets are measured at present value. Assumptions are therefore required, particularly in relation to levels of consumer default within the contract period, expected levels of consumer spend, and consumer behaviour beyond the initial contract period.

In addition to remeasurement due to changes in consumer behaviour, changes to revenue may also be made where, for example, more recent information becomes available enabling the recognition of previously unrecognised commission. Any such changes are recognised as revenue in the income statement.

In contracts in which the consideration for the transfer of services to customers is conditional on something other than the passage of time, these amounts are accounted for as a contract asset within 'trade and other receivables' in the Company's balance sheet. Amounts receivable that are no longer conditional on something other than the passage of time are accounted for as trade receivables.

The Company also operates a managed service agreement with the MNO to provide various administrative services whereby revenue is recognised over time as the performance obligations are satisfied.

Revenue from the sale of goods is recognised at the point of sale or, where later, upon delivery to the customer.

1.5 Retirement benefit obligations

The Company operates a defined contribution pension scheme for eligible employees. Company contributions to defined contribution pension schemes are charged to the income statement on an accruals basis when employees have rendered service entitling them to the contributions.

1 ACCOUNTING POLICIES (continued)

1.6 Taxation

Current taxation

Current tax is provided at amounts expected to be paid or recovered using the prevailing tax rates and laws that have been enacted or substantively enacted by the balance sheet date and adjusted for any tax payable in respect of previous periods.

Deferred taxation

Deferred tax liabilities are recognised for all temporary differences between the carrying amount of an asset or liability in the balance sheet and the tax base value and represent tax payable in future periods. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Current and deferred tax is recognised in the income statement except where it relates to an item recognised directly in reserves, in which case it is recognised directly in reserves.

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 assets and liabilities are offset against each other when they relate to income taxes levied by the same tax jurisdiction and when the Company intends to settle its current tax assets and liabilities on a net basis. Deferred tax balances are not discounted.

1.7 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 receivables which involve a contractual right to receive cash from external parties, as shown in note 8, with the exception of contract assets.

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 principal outstanding. All of the Company's assets measured at amortised cost are subject to impairments driven by the expected credit loss (ECL) model.

Financial assets are derecognised when the contractual rights to the cash flows expire, or the Company has transferred the financial asset in a way that qualifies for derecognition in accordance with IFRS 9.

Trade and other receivables

Trade 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 cash flows of the counterparty and subsidiary companies with the ability to distribute cash to it are considered.

1.8 Other 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 9 with the exception of other taxation and social security and other non-financial creditors. The majority of trade payables comprise amounts due to the MNO.

1 ACCOUNTING POLICIES (continued)

1.8 Other financial liabilities (continued)

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 recorded at amortised cost.

1.9 Intangible assets

Software and licenses

Software and licenses include costs incurred to acquire the assets as well as internal infrastructure and design costs incurred in the development of software in order to bring the assets into use.

Internally generated software is recognised as an intangible asset only if it can be separately identified, it is probable that the asset will generate future economic benefits which exceed one year, and the development cost can be measured reliably. Where these conditions are not met, development expenditure is recognised as an expense in the year in which it is incurred. Costs associated with developing or maintaining computer software are recognised as an expense as incurred unless they increase the future economic benefits of the asset, in which case they are capitalised.

The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads.

Software is stated at cost less accumulated amortisation and, where appropriate, provision for impairment in value or estimated loss on disposal. Amortisation is provided to write off the cost of assets on a straight-line basis over the economic life of the asset which is considered to be five years. This is included in the operating expenses line of the income statement.

1.10 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

With the exception of land, depreciation is provided to write off the cost of the assets over their expected useful lives from the date the asset was brought into use or capable of being used and is calculated on a straight-line basis. Rates applied to different classes of property, plant and equipment are as follows:

- Fixtures, fittings and equipment - 20% per annum

Property, plant and equipment are assessed on an ongoing basis to determine whether circumstances exist that could lead to the conclusion that the net book value is not supportable. Where assets are to be taken out of use, an impairment charge is levied.

1 ACCOUNTING POLICIES (continued)

1.11 Impairment of tangible and intangible assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.12 Share-based payments

The ultimate parent company issues equity settled share-based payments to certain employees of the Company which are measured at fair value at the date of grant and expensed on a straight-line basis over the vesting period, based on an estimate of the number of shares that will eventually vest. A Monte Carlo model is used to measure fair value.

For all schemes, the number of options expected to vest is recalculated at each balance sheet date, based on expectations of leavers prior to vesting. For schemes with internal performance criteria, the number of options expected to vest is also adjusted based on expectations of performance against target. No adjustment is made for expected performance against external performance criteria such as Total Shareholder Return (TSR), because the likelihood that the performance criteria will be met is taken into account when estimating the fair value of the award on the grant date. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in reserves.

1 ACCOUNTING POLICIES (continued)

1.13 Critical accounting judgements and key sources of estimation uncertainty

Critical accounting judgements and estimates used in the preparation of the financial statements are continually reviewed and revised as necessary.

Whilst every effort is made to ensure that such judgements and estimates are reasonable, by their nature they are uncertain, and as such changes may have a material impact. The Directors consider that there are no critical accounting judgements which affect these financial statements. The principal item subject to estimation is as follows:

Revenue recognition – network commissions

For certain transactions with MNOs, the quantum of commission receivable on mobile phone connections depends on consumer behaviour after the point of sale. This leads to a judgement over the unit of account for measurement of the amounts arising from the MNO and an estimate over the transaction price due to the variability of revenue. A level of constraint is applied to the revenue recognition to ensure revenue is only recognised when it is highly probable there will not be a significant reversal. By the nature of this constraint, applied in line with IFRS 15: 'Revenue from Contracts with Customers', it is possible that additional revenue will be recognised in future periods from performance obligations satisfied in prior periods. For example, the network commission receivables are routinely increased each year in line with Retail Prices Index ('RPI'), however as part of the variable revenue constraint, the Company does not include this RPI estimate in the revenue recognised at point of sale. For the year ended 30 April 2022, the revenue recognised includes a value of £1.9m (2020/21: £0.4m) relating to the application of RPI increases on end consumer contracts by the MNO relating to performance obligations satisfied in prior periods. As a result of the revenue constraints applied to counteract the estimation uncertainty over consumer behaviour, it is reasonably possible that additional revenue may be recognised in future periods from performance obligations satisfied in prior periods of between nil and £1.0m (2020/21: between nil and £2.0m).

Further details of the estimations involved with network commissions can be found at note 1.4 and a reconciliation of the movements in the network commission receivables within the year is included within note 8.

2. TURNOVER AND OPERATING PROFIT

	Year ended 30 April 2022 £'000	Year ended 1 May 2021 £'000
Turnover	<u>100,037</u>	<u>141,135</u>

The Company's disaggregated revenues recognised under 'Revenue from Contracts with Customers' in accordance with IFRS 15 relates to the following revenue streams:

	Year ended 30 April 2022 £'000	Year ended 1 May 2021 £'000
Commission revenue	73,460	118,674
Support specific revenue	25,202	19,747
Sale of goods	1,375	2,714
	<u>100,037</u>	<u>141,135</u>

Operating profit is stated after charging the following:

	Year ended 30 April 2022 £'000	Year ended 1 May 2021 £'000
Amortisation of intangible assets (see note 6)	974	1,971
Impairment of intangible assets (see note 6)	-	1,235
Depreciation of PPE (see note 7)	299	1,733
Impairment of PPE (see note 7)	-	8
Net impairment of financial assets (see note 8)	-	837
Other employee costs (see note 4)	5,687	6,152
Share Based Payments	<u>189</u>	<u>155</u>

Audit services relate wholly to the auditing of the financial statements. There were no non-audit services provided by the auditor within the year ended 30 April 2022 (2020/21: £nil). For the year ended 30 April 2022, there were no audited related fees incurred in iD Mobile Limited as the cost of £100,000 was absorbed by the Group and not cross-charged back to iD Mobile Limited (2020/21: £90,000).

iD Mobile Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 April 2022

3. FINANCE COSTS

	Year ended 30 April 2022 £'000	Year ended 1 May 2021 £'000
Interest payable on bank loans and overdrafts	161	483
Interest payable to other Group undertakings	1,537	589
	<u>1,698</u>	<u>1,072</u>

4. EMPLOYEES AND DIRECTORS

Staff costs for the year were:

	Year ended 30 April 2022 £'000	Year ended 1 May 2021 £'000
Wages and salaries	4,916	5,369
Social security costs	596	601
Other pension costs	175	182
	<u>5,687</u>	<u>6,152</u>

Sales and customer management	5	5
Administration	61	66

The average monthly number of employees, including part-time employees was:	<u>66</u>	<u>71</u>
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The directors received no remuneration or other benefits for their services to the Company for the year ended 30 April 2022 (2020/21: £nil) as they are remunerated through other Group companies.

5. TAX

(a) Income tax expense

	Year ended 30 April 2022 £'000	Year ended 1 May 2021 £'000
Current tax		
Current Year	-	-
Adjustments in respect of prior Years	-	-
Total current tax charge	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	(219)	(158)
Adjustments in respect of prior periods	(97)	(280)
Total deferred tax credit	<u>(316)</u>	<u>(438)</u>
Total tax credit on profit	<u>(316)</u>	<u>(438)</u>

iD Mobile Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 April 2022

5. TAX (CONTINUED)

The differences between the total current tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	Year ended 30 April 2022 £'000	Year ended 1 May 2021 £'000
Profit before tax	23,893	19,426
Tax charge on profit at UK statutory rate of 19% (2020/21: 19%)	4,540	3,691
Tax losses utilised within the group for nil consideration	(4,625)	(3,852)
Other items attracting no tax relief of liability	47	3
Adjustments in respect of prior periods	(97)	(280)
Impact of change in tax rate	(181)	-
Total tax credit for the year ended 30 April 2022	(316)	(438)

The company's tax liability has been offset by the surrender of losses to other group companies under the group relief provisions. No payment has been received from the surrendering companies.

(b) Deferred tax

	Timing differences in respect of capital allowances and depreciation £'000
Deferred tax liability brought forward	438
Charge to profit and loss account - current year	220
Charge to profit and loss account – prior year	97
Deferred tax as at 30 April 2022	755

Finance (No.2) Act 2016 reduced the corporation tax rate from 1 April 2020 to 17% from 19%. However, the Finance Act 2020, which was substantively enacted on 17 March 2020, removed the planned reduction. The rate applicable from 1 April 2021 remains at 19%. 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.

6. INTANGIBLE ASSETS

	Software and License costs £'000
Cost	
At 1 May 2021	18,248
Additions	2,419
Reclassification	36
Disposals	(16,302)
At 30 April 2022	4,401
Amortisation	
At 1 May 2021	(8,343)
Charge for the year	(974)
Disposals	8,229
At 30 April 2022	(1,088)
Impairment	
At 1 May 2021	(8,073)
Charge for the year	-
Disposals	8,073
At 30 April 2022	-
Net book value	
At 30 April 2022	3,313
At 1 May 2021	1,832

All intangible assets to date have been internally generated.

Following a Fixed Asset disposal review in the year ended 30 April 2022, the remaining future useful economic life of assets was assessed, and this has resulted in the disposals of several assets which happened to have been either already fully impaired, or else fully amortised. A large proportion of the disposal related to assets which had been developed by an IT Services company whom iD Mobile transitioned away from in the financial year 2021/22. There was no gain or loss on disposal. The main purpose of existing intangible assets and those under construction are investment in the IT infrastructure of iD Mobile to try to ensure increased stability and functionality for a growing customer base.

7. PROPERTY, PLANT AND EQUIPMENT

	Equipment £'000
Cost	
At 1 May 2021	8,496
Additions	-
Reclassification	(36)
Disposals	(8,460)
	<hr/>
At 30 April 2022	-
	<hr/>
Depreciation	
At 1 May 2021	(6,707)
Charge for the year	(299)
Disposals	7,006
	<hr/>
At 30 April 2022	-
	<hr/>
Impairment	
At 1 May 2021	(1,454)
Charge for the year	-
Disposals	1,454
	<hr/>
At 30 April 2022	-
	<hr/>
Net book value	
At 30 April 2022	-
	<hr/>
At 1 May 2021	335
	<hr/>

Following a Fixed Asset disposal review in the year ended 30 April 2022, the remaining future useful economic life of assets was assessed, and this has resulted in the disposals of all remaining PPE. Some of this was hastened by the appointment of a new supplier for IT operational support.

ID Mobile Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 April 2022

8. TRADE AND OTHER RECEIVABLES

	30 April 2022 £'000	1 May 2021 £'000
Trade receivables	18,565	13,455
Less expected credit loss allowances	-	(837)
	<u>18,565</u>	<u>12,618</u>
Contract assets	99,833	133,789
Prepayments	837	974
Amounts due from group undertakings	585	1,009
	<u>119,820</u>	<u>148,390</u>
Non-current	20,818	44,078
Current	<u>99,002</u>	<u>104,312</u>
	<u>119,820</u>	<u>148,390</u>

The majority of trade and other receivables are non-interest bearing. Non-current receivables mainly comprise commission receivable on sales, as described below. Where there is a significant financing component, trade and other receivables are discounted at contract inception using a discount rate that is at an arms length basis and which would be reflected in separate financing transaction between the Company and the customer.

Amounts due from wholly owned subsidiaries within the Currys Group are non-interest bearing and subject to normal supplier terms.

The timing of revenue recognition, billings and cash collection results in trade receivables (billed amounts) and contract assets (unbilled amounts) on the Company's balance sheet. For services in which revenue is earned over time, amounts are billed in accordance with contractual terms, either at periodic intervals or upon achievement of contractual milestones:

Contract assets

The Company recognises a contract asset for services where the performance obligations have been met but the right to consideration from the customer is conditional on something other than the passage of time. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it becomes billable.

Upon the initial recognition of revenue from contracts with customers, the Company considers the risk profile for amounts due from network customers based on historical experience and forward-looking information in accordance with IFRS 15. As such credit risk is factored into the initial recognition of revenue, while contract assets are adjusted at each reporting date to reflect the future expected value. Therefore, no further expected credit loss is recognised as it is included within the initial measurement of the Company's contract assets.

Network commission contract asset and receivables

As described in note 1.4, the revenue earned by the Company for the acquisition of consumers on behalf of the third-party network operator is subject to variable consideration. Some consideration is paid by the MNO at the time of connection with the remainder paid over the duration of the consumer's contractual relationship with the MNO. Whilst the underlying contract with the consumer predominately constitutes a fixed monthly value, variability arises due to future expected behaviour of such consumers after the point of connection.

Under IFRS 15: 'Revenue from Contracts with Customers' the Company only recognises such revenue to the extent that it is highly probable that there will not be a material reversal in the future. Determining the amount of revenue to recognise is judgemental and subject to a degree of estimation uncertainty in particular due to the nature of the variable revenue constraint applied in line with IFRS 15 as described in note 1.13. In previous periods, the Company has estimated such revenue with a high level of accuracy, as evidenced and regularly monitored by the level of cash the Company receives from the MNO in the periods subsequent to acquiring consumers on their behalf.

8. TRADE AND OTHER RECEIVABLES (CONTINUED)

Contract assets (Continued)

In determining the amount of revenue to recognise, the Company estimates the amount that it expects to receive in respect of each consumer based on historic trends and anticipated changes in consumer behaviour. The Company also discusses and analyses emerging behavioural trends with the respective MNO, considers external sources of industry and market analysis and models the impact of potential regulatory changes, if any are proposed.

A discounted cash flow methodology is used to measure the expected consideration, by estimating all future cash flows that will be received from the MNO and discounting these based on the timing of receipt. The key inputs to the model are:

- revenue share percentage - the percentage of the consumer's spend (to the MNO) to which the Company is entitled;
- minimum contract period – the length of contract entered into by the consumer;
- out-of-bundle spend – additional spend by the consumer measured as a percentage of total spend;
- consumer default rate – rate at which consumers disconnect from the MNO; and
- spend beyond the initial contract period – period of time the consumer remains connected to the MNO after the initial contract term.

Having estimated the expected consideration, the Company applies a constraint to reduce to a level where any future material reversal of revenue would be considered highly improbable. Management makes a regular assessment of historical amounts and market data to ensure that the amounts recognised still meet the requirements of IFRS 15. In the year ended 30 April 2022, the net revaluation recognised from performance obligations satisfied in previous periods was an increase of £5.1m (2020/21: £4.5m).

Amounts recognised in the financial statements in respect of such variable consideration are summarised and reconciled from prior year below:

	30 April 2022 £'000	1 May 2021 £'000
Network commission receivable and contract asset: opening balance	133,789	111,728
Revenue recognised in respect of current year sales	68,332	114,134
Revaluation of opening network commission contract asset	3,221	4,174
Revenue recognised in respect of prior period sales not previously included in the estimation of revenue recognised	1,907	366
Revenue recognised in respect of prior period sales	5,128	4,540
Revenue recognised in the period	73,460	118,674
Cash received from network operators	(107,416)	(96,613)
Net network commission receivable and contract asset: closing balance	99,833	133,789
<i>Comprising:</i>		
Net network commission receivable and contract asset in less than 1 year	79,015	89,711
Net network commission receivable and contract asset in more than 1 year	20,818	44,078
Net network commission contract asset	99,833	133,789

iD Mobile Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 April 2022

9. TRADE AND OTHER PAYABLES

	30 April 2022 £'000	1 May 2021 £'000
Trade payables	35,385	29,017
Amounts due to the ultimate parent company	9,061	73,366
Amounts due to group undertakings	9,865	9,956
Other taxation and social security	9,208	2,271
Accruals	2,799	3,214
	<u>66,318</u>	<u>117,824</u>

The majority of trade and other payables are non-interest bearing. The carrying amount of trade and other payables approximates fair value. Interest is charged on overdrawn balances and paid on surplus cash at intercompany rates of base rate plus 2.6% (2020/21: base rate plus 1.35%) for amounts overdrawn and at a margin below base rate for surplus cash balances. This is unsecured and repayable on demand.

10. SHARE CAPITAL

	30 April 2022 £	1 May 2021 £
Authorised, called-up and fully paid		
1 ordinary share of £1	<u>1</u>	<u>1</u>

Ordinary share carries no right to a fixed income.

11. SHARE-BASED PAYMENTS

Equity-settled

Share option plans

Save As You Earn (SAYE)

Currys has SAYE schemes which allow participants, including employees of the Company, to save up to £500 per month for either three or five years. At the end of the savings period participants can purchase shares in Currys based on a discounted share price determined at the commencement of the scheme.

Currys share option scheme

Currys offers discretionary awards under share option schemes which allows nil-priced options to be offered under the Long-Term Incentive Plan (LTIP) to senior employees. Awards are granted annually and will usually vest after three years subject to continued service. Some awards are also subject to the achievement of performance conditions.

For awards granted during the years ended 27 April 2019, 2 May 2020 and 1 May 2021, awards granted to executive directors and key management of Currys were subject to performance conditions as outlined below. For awards issued to other senior management, awards were not subject to performance conditions. For awards granted during the year ended 30 April 2022, awards issued to other senior management were also subject to performance conditions.

For awards granted during the year ended 27 April 2019, awards granted to executive directors and key management of Currys were subject to performance conditions based on relative TSR performance against the constituents of the FTSE 51-150 at the start of the performance period and either EPS growth or cumulative free cash flow growth.

For awards granted during the years ended 2 May 2020, 1 May 2021 and 30 April 2022, performance conditions were based on a combination of relative TSR performance against a bespoke comparator group of 22 European Special Line Retailers and other comparable companies and cumulative free cash flow.

iD Mobile Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 April 2022

11. SHARE-BASED PAYMENTS (CONTINUED)

In February 2019 Currys launched the Colleague Shareholder Award which granted every permanent colleague with 12 months service at least £1,000 of options which will vest after three years. These awards were not subject to performance conditions.

All share option plans are granted to employees of the Company by Currys.

137,596 share options (2020/21: 45,966) were exercised during the year, with a weighted average exercise price of £nil per share (2020/21: £nil).

Details for share options outstanding at the period end are as follows:

	30 April 2022	1 May 2021
(i) weighted average remaining contractual life for options outstanding	8.1 years	8.6 years
(ii) range of exercise prices for options outstanding	£nil - £2.52	£nil - £3.77

12. PARENT AND CONTROLLING COMPANY

The Company's immediate parent is Carphone Warehouse Europe Limited.

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

13. EVENTS AFTER THE BALANCE SHEET

No post balance sheet events