

**Maplin Electronics Limited**

**Directors' report and financial  
statements**

**Registered number 1264385**

**28 December 2002**



## Contents

Directors and company information	1
Directors' report	2
Statement of directors' responsibilities	4
Report of the independent auditors to the members of Maplin Electronics Limited	5
Profit and loss account	6
Balance sheet	7
Reconciliation of movements in equity shareholders' funds	8
Notes	9

## **Directors and company information**

### **Directors**

G N Caldwell  
N L J Fawcett  
D O'Reilly  
K Pacey  
M E Smith (resigned 14 July 2002)  
G Hunt  
P A Wilburn (appointed 4 February 2003)

### **Secretary**

M E Smith (resigned 14 July 2002)  
P A Wilburn (appointed 15 July 2002)

### **Bankers**

Bank of Scotland  
38 Threadneedle Street  
London  
EC29 2HL

### **Auditors**

KPMG LLP  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

### **Registered office**

Valley Road  
Wombwell  
Barnsley  
South Yorkshire  
S73 0BS

## Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 28 December 2002.

### Result and dividends

The operating profit before exceptional items for the period amounted to £12,479,000 (2001: £7,566,000). The profit for the period after taxation and exceptional costs amounted to £8,540,000 (2001: £3,753,000). In 2001 there were exceptional costs of £2,184,000, current period £nil, incurred in the sale of the shareholding in the company, which was paid to the directors under a bonus scheme conditional on such an event taking place. This is shown under director's remuneration in note 5 to the accounts. Dividends paid and proposed during the period were £2,939,000 (2001: £3,536,000). A retained profit of £5,601,000 (2001: £217,000) has been transferred to reserves.

### Review of the business and future developments

The continuing improved performance was driven mainly by a 28% (2001: 21%) increase in Retail sales with a like for like increase of 16% (2001: 15.6%). 6 (2001: 5) new stores were opened in the period. The stores continue to perform well in 2003.

The rationalisation of the trade section of the business started in 1999 continues to prove successful. Total Mail Order sales were up by 16% (2001: down 3.7%).

The Consumer Mail Order business grew by 22% (2001: 25%) with the interactive Internet site ([www.maplin.co.uk](http://www.maplin.co.uk)) increasing sales by 75% (2001: 72%). Consumer sales continue to grow in 2003.

### Market value of land and buildings

Freehold land and buildings were revalued as at 16<sup>th</sup> September 1994, and these valuations have been incorporated into the accounts. An informal valuation of the company's main freehold property was conducted in February 2001 by HBSV, Chartered Surveyors. This indicated an increase in value of £407,000. In accordance with the transitional arrangements of FRS 15 this valuation has not been reflected in the accounts.

### Overseas branches

The company continued during the period to source products through its overseas branch in Taiwan and through Maplin Electronics (HK) Limited (formerly called Nikkai (Hong Kong) Limited), its subsidiary in Hong Kong and China.

## **Directors' report** *(continued)*

### **Employees**

It is the board's policy to pursue open communication with employees and, to this end, regular meetings are held with management to convey information about the business.

The company gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Systems are in place to prevent discrimination. Where existing employees become disabled, it is the company's policy, wherever practicable, to provide continuing employment under normal terms and conditions and to provide training and career development opportunities where appropriate.

### **Directors and directors' interests**

The directors who served during the period were as follows:

G N Caldwell  
N L J Fawcett  
D O'Reilly  
K Pacey  
M E Smith (resigned 14 July 2002)  
G Hunt  
P A Wilburn (appointed 4 February 2003)

None of the directors had any interest in the shares of the company.

The company is a wholly owned subsidiary of Maplin Electronics (Holdings) Limited. G N Caldwell, N L J Fawcett, D O'Reilly, K Pacey, G Hunt and P A Wilburn are directors of Maplin Electronics (Holdings) Limited and their interests in its share capital are disclosed in the accounts of that company.

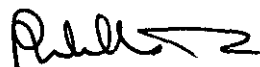
### **Policy on the payment of suppliers**

The company recognises the importance of maintaining good business relationships with its suppliers and aims to pay all invoices within agreed terms. At 28 December 2002, the company had an average of 61 days' purchases outstanding in trade creditors (2001: 57 days).

### **Auditors**

KPMG were re-appointed auditors on 16 May 2002. However, since that date their business was transferred to a limited liability partnership, KPMG LLP. Accordingly KPMG resigned on 12 June 2002 and the directors thereupon appointed KPMG LLP to fill the vacancy arising. A resolution for the re-appointment of KPMG LLP as auditors of the company is proposed at the forthcoming Annual General Meeting.

By order of the board



**P A Wilburn**  
*Secretary*

19 March 2003

## **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which 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 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



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Neville Street  
Leeds  
LS1 4DW

## **Report of the independent auditors to the members of Maplin Electronics Limited**

We have audited the financial statements on pages 6 to 20.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

### **Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 28 December 2002 and of the profit for the 52 week period then ended and have been properly prepared in accordance with the Companies Act 1985.

**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditor*

19 March 2003

## Profit and loss account

for the 52 week period ended 28 December 2002

	Note	52 week period ended 28 December 2002 £'000	52 week period ended 29 December 2001 £'000
<b>Turnover</b>	2	76,424	60,684
Cost of sales		(38,540)	(30,844)
<b>Gross profit</b>		37,884	29,840
Distribution costs		(6,288)	(5,357)
Administrative expenses - normal		(19,228)	(17,005)
- exceptional	3	-	(2,184)
		(19,228)	(19,189)
Other operating income		111	88
Operating profit - before exceptionals		12,479	7,566
- including exceptionals		12,479	5,382
<b>Operating profit</b>	2-6	12,479	5,382
Other interest receivable and similar income	7	109	36
Interest payable	8	(2)	(148)
<b>Profit on ordinary activities before taxation</b>		12,586	5,270
Tax on profit on ordinary activities	9	(4,046)	(1,517)
<b>Profit on ordinary activities after taxation</b>		8,540	3,753
Dividend paid and proposed	10	(2,939)	(3,536)
<b>Retained profit for the period</b>	20	5,601	217

There are no recognised gains and losses other than the profit for the financial period stated above. The profit is derived entirely from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the period stated above and their historical cost equivalents.

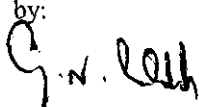


## Balance sheet

as at 28 December 2002

	Note	28 December 2002		29 December 2001	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	11		8,723		7,804
Investments	12		17		17
			<hr/>		<hr/>
			8,740		7,821
<b>Current assets</b>					
Stock	13	9,926		7,741	
Debtors	14	1,699		1,755	
Cash at bank and in hand		8,848		2,481	
		<hr/>		<hr/>	
		20,473		11,977	
<b>Creditors: amounts falling due within one year</b>	15	(17,573)		(14,100)	
		<hr/>		<hr/>	
<b>Net current assets/(liabilities)</b>			2,900		(2,123)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			11,640		5,698
<b>Provisions for liabilities and charges</b>	16		(341)		-
			<hr/>		<hr/>
			11,299		5,698
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	19		420		420
Share premium	20		429		429
Profit and loss account	20		10,450		4,849
			<hr/>		<hr/>
<b>Equity shareholders' funds</b>			11,299		5,698
			<hr/>		<hr/>

These financial statements were approved by the board of directors on 19 March 2003 and were signed on its behalf by:



**G Caldwell**  
Director

**Reconciliation of movements in equity shareholders' funds**  
*for the 52 week period ended 28 December 2002*

	52 week period ended 28 December 2002 £'000	52 week period ended 29 December 2001 £'000
Profit for the period	8,540	3,753
Dividends	(2,939)	(3,536)
	<hr/>	<hr/>
Retained profit for the period	5,601	217
Opening balance	5,698	5,481
	<hr/>	<hr/>
Closing balance	11,299	5,698
	<hr/>	<hr/>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements. The company has adopted the FRS 19 'deferred tax' in these financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of certain land and buildings.

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Maplin Electronics (Holdings) Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statement of Maplin Electronics (Holdings) Limited, within which this company is included, can be obtained from Valley Road, Wombwell, Barnsley, South Yorkshire, S73 0BS.

#### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at hedged rates, where applicable. Assets and liabilities denominated in foreign currencies are translated into sterling at the period end rates or hedged rates, where applicable. All exchange differences thus arising are dealt with through the profit and loss account.

#### *Depreciation of tangible fixed assets*

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Freehold buildings	- 2% per annum
Long leasehold property and improvements	- life of lease up to a maximum of 25 years
Short leasehold property and improvements	- life of lease
Fixtures, fittings, tools and equipment	- 15% reducing balance
Computer equipment	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Internet	- 33.3% on cost

No depreciation is provided on freehold land.

The transitional arrangements under FRS 15 were adopted to retain the book values of the fixed assets at their revalued amounts. No further revaluations will be carried out.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Post retirement benefits*

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

#### *Taxation*

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed at the balance sheet date except as otherwise required by FRS 19.

#### *Stock*

Stock is stated at the lower of cost and net realisable value. Cost comprises purchase price and all other directly attributable costs.

#### *Leasing and hire purchase commitments*

Assets held under finance leases and hire purchase contracts are included as tangible fixed assets at cost and depreciated over the asset's life. The interest element is charged to the profit and loss account using a reducing balance method. Rentals under operating leases are charged to the profit and loss account on a straight line basis.

### 2 Turnover

	Total turnover		Inter company turnover		External turnover	
	2002	2001	2002	2001	2002	2001
	£'000	£'000	£'000	£'000	£'000	£'000
Mail order	14,210	12,261	-	26	14,210	12,235
Stores	62,214	48,423	-	-	62,214	48,423
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	76,424	60,684	-	26	76,424	60,658
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
By destination:						
United Kingdom	73,231	58,105	-	-	73,231	58,105
Other	3,193	2,579	-	26	3,193	2,553
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	76,424	60,684	-	26	76,424	60,658
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
By origin:						
United Kingdom	73,098	58,132	-	-	73,098	58,132
Other	3,326	2,552	-	26	3,326	2,526
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	76,424	60,684	-	26	76,424	60,658
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Notes (continued)**

**3 Exceptional operating charges**

	2002 £'000	2001 £'000
Executive Management bonus and related costs on transfer of ownership	-	2,184

The above item reduced the tax charge in 2001 by £655,200.

**4 Operating profit**

	2002 £'000	2001 £'000
This is stated after charging:		
Auditors' remuneration - audit services	39	38
- other services	9	9
Depreciation of owned assets	1,060	1,009
Depreciation of asset held under finance leases	8	11
Loss on disposal of fixed assets	44	23
Operating lease costs – land and buildings	2,792	2,419
Hire of plant and machinery	5	43

**5 Directors' emoluments**

	2002 £'000	2001 £'000
Emoluments	858	2,714
Company contributions paid or accrued to money purchase pension schemes	63	45

## Notes (continued)

### 5 Directors' emoluments (continued)

Retirement benefits are accruing to the following number of directors as follows:

	2002	2001
Members of money purchase pension schemes	6	6
	<u>£'000</u>	<u>£'000</u>

The amounts in respect of the highest paid director are as follows:

Emoluments	259	953
	<u>£'000</u>	<u>£'000</u>

Company pension contributions of £26,000 (2001: £9,000) were made to a money purchase scheme on his behalf.

Emoluments include an amount of £nil (2001: £11,000) in relation to fees paid to third parties for services of their employees as directors of Maplin Electronics Limited.

Emoluments include an amount of £nil (2001: £2,814,000) paid under a bonus scheme as described in the directors' report.

### 6 Staff costs

	2002 £'000	2001 £'000
Wages and salaries	11,880	11,832
Social security costs	819	996
Other pension costs	190	160
	<u>12,889</u>	<u>12,988</u>

The average weekly number of full-time employees during the period was 749 (2001: 658).

### 7 Interest receivable

	2002 £'000	2001 £'000
Bank interest receivable from Group banking arrangements	109	36
	<u>£'000</u>	<u>£'000</u>

### 8 Interest payable

	2002 £'000	2001 £'000
Bank overdraft	2	146
Finance charges payable under finance leases	-	2
	<u>2</u>	<u>148</u>

## Notes (continued)

### 9 Taxation

	2002		2001	
Analysis of charge in period	£'000	£'000	£'000	£'000
<i>UK corporation tax</i>				
Current tax on income for the period		2,470		255
<i>Group relief</i>				
Current tax on income for the period	964		1,170	
Adjustment for group relief in respect of prior periods	6		(12)	
		970		1,158
<i>Foreign tax</i>				
Current tax on income for the period	277		104	
Adjustments in respect of prior periods	(12)		-	
		265		104
Total current tax		3,705		1,517
<i>Deferred tax</i>				
Origination/reversal of timing differences	204		-	
Adjustment in respect of previous periods	137		-	
		341		-
Tax on profit on ordinary activities		4,046		1,517

#### Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2001: lower) than the standard rate of corporation tax in the UK (30%, 2001: 30%). The differences are explained below:

	2002	2001
	£'000	£'000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	12,586	5,270
Current tax at 30% (2001: 30%)	3,776	1,581
<i>Effects of:</i>		
Expenses not deductible for tax purposes (primarily non qualifying depreciation)	139	160
Capital allowances in excess of depreciation	(204)	(212)
Adjustments to tax charge in respect of previous periods	(6)	(12)
Total current tax charge (see above)	3,705	1,517

## Notes (continued)

### 10 Dividends

	2002 £'000	2001 £'000
Equity dividends on ordinary shares:		
Interim dividend paid £ nil per share (2001: £4.85)	-	2,036
Final dividends paid & proposed £7.00 per share (2001: £3.57)	2,939	1,500
	<u>2,939</u>	<u>3,536</u>

### 11 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold property and improvements £'000	Fixtures, fittings, tools and equipment £'000	Computer equipment and motor vehicles £'000	Total £'000
<b>Cost or valuation</b>					
At beginning of period	1,779	5,230	4,497	2,758	14,264
Additions	-	1,295	493	243	2,031
Disposals	-	(100)	(71)	(56)	(227)
At end of period	<u>1,779</u>	<u>6,425</u>	<u>4,919</u>	<u>2,945</u>	<u>16,068</u>
<b>Depreciation</b>					
At beginning of period	424	1,785	2,432	1,819	6,460
Charge for the period	36	380	341	311	1,068
Disposals	-	(96)	(52)	(35)	(183)
At end of period	<u>460</u>	<u>2,069</u>	<u>2,721</u>	<u>2,095</u>	<u>7,345</u>
<b>Net book value</b>					
At 28 December 2002	<u>1,319</u>	<u>4,356</u>	<u>2,198</u>	<u>850</u>	<u>8,723</u>
At 29 December 2001	<u>1,355</u>	<u>3,445</u>	<u>2,065</u>	<u>939</u>	<u>7,804</u>

The net book amount of fixed assets at 28 December 2002 includes an amount of £26,848 (2001: £35,018) in respect of assets held under finance leases. The related depreciation charge for the period was £8,170 (2001: £10,755).

Leasehold property includes a long lease with a net book value at 28 December 2002 of £126,214 (2001: £129,292).

Included within leasehold property and improvement is £28,000 (2001: £12,000) relating to assets not yet in use against which no depreciation has been charged.



## Notes (continued)

### 12 Investments

	Investment in subsidiaries £'000
<b>Cost</b>	
At beginning and end of period	17
<b>Provisions</b>	
At beginning and end of period	-
<b>Net book value</b>	
At 29 December 2001 and 28 December 2002	17

<i>Subsidiary</i>	<i>Country of registration/ Incorporation</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Activity</i>
Maplin Electronics (HK) Limited (formerly called Nikkai (Hong Kong) Limited)	Hong Kong	Ordinary shares	100%	Buying, sourcing quality control and shipping of products

### 13 Stock

	2002 £'000	2001 £'000
Finished goods held for resale	9,926	7,741

## Notes (continued)

### 14 Debtors

	2002 £'000	2001 £'000
Trade debtors	908	923
Amounts owed by subsidiary undertakings	-	15
Other debtors	78	7
Prepayments and accrued income	697	800
VAT and duties recoverable	16	10
	<hr/>	<hr/>
	1,699	1,755
	<hr/>	<hr/>

### 15 Creditors: amounts falling due within one year

	2002 £'000	2001 £'000
Payments on account	20	8
Trade creditors	8,814	6,910
Amount owed to subsidiary undertakings	179	-
Amount owed to parent undertaking	-	1,828
Accruals and deferred income	1,878	1,452
Corporation taxation	1,443	255
Group relief payable	1,517	2,137
Overseas taxation	256	94
Taxation and social security	1,992	1,402
Obligations under finance leases (note 17)	-	14
Proposed dividend	1,474	-
	<hr/>	<hr/>
	17,573	14,100
	<hr/>	<hr/>

## Notes (continued)

### 16 Provisions for liabilities and charges

	Deferred tax £'000
At beginning of period	-
Charge in the period	341
	<hr/>
At end of period	341
	<hr/>

The elements of deferred taxation are as follows:

	2002 £'000	2001 £'000
Difference between accumulated depreciation and amortisation and capital allowances	356	-
Other timing differences	(15)	
	<hr/>	<hr/>
Deferred tax liability	341	-
	<hr/>	<hr/>

### 17 Obligations under finance leases and hire purchase contracts

	2002 £'000	2001 £'000
Minimum lease payments payable:		
Within one year	-	14
	<hr/>	<hr/>
Amounts due within one year	-	14
	<hr/>	<hr/>

### 18 Commitments

- (a) Capital commitments at the end of the financial period, for which no provision has been made, are as follows:

	2002 £'000	2001 £'000
Authorised (not contracted)	944	154
	<hr/>	<hr/>

# Notes (continued)

## 18 Commitments (continued)

- (b) As at 28 December 2002 the company has annual commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
Operating leases which expire:				
Within one year	83	102	-	24
In two to five years	529	468	-	-
In over five years	2,625	1,958	-	-
	<u>3,237</u>	<u>2,528</u>	<u>-</u>	<u>24</u>

## 19 Share capital

	2002	2001
	£'000	£'000
Authorised:		
Ordinary shares of £1 each	74	74
Redeemable ordinary shares of £1 each	350	350
	<u>424</u>	<u>424</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	70	70
Redeemable ordinary shares of £1 each	350	350
	<u>420</u>	<u>420</u>

The redeemable ordinary shares of £1 nominal value rank *pari passu* with the ordinary shares, except that the redeemable ordinary shares may be redeemed at par at the option of either the company or the holder.

## Notes (continued)

### 20 Reserves

	Share premium £'000	Profit and loss account £'000
At beginning of period	429	4,849
Retained profit for the period	-	5,601
	<hr/>	<hr/>
<b>At end of period</b>	<b>429</b>	<b>10,450</b>
	<hr/>	<hr/>

### 21 Pension commitments

Maplin now participates in the Saltire Group Pension Scheme which was switched to a defined contribution basis from 6 April 1997. This scheme is the main pension scheme for employees of the Saltire Group with all benefits being on a defined contribution basis. One of the company's principal objectives in making this change was to achieve greater stability in its pension costs. Contributions are paid to the scheme by both the employer and employees and are held in a separate trust fund.

A valuation of the financial position of the Saltire Scheme was carried out by the Scheme's actuary, Bacon & Woodrow, as at 5 April 1999. The valuation confirmed that the Scheme was not excessively funded under the Government's statutory surplus regulations. However, the Scheme had assets in excess of the total amount of the members' defined contribution accounts. Those excess assets amounted to approximately £200,000 have subsequently been used to meet part of the employer contribution requirement and to pay expenses.

The pension cost charge for the period represents contributions payable by the group to the fund and amounted to £190,000 (2001: £160,000).

From 6 April 1997 further accrual of defined benefits under the Maplin Electronics PLC Pension & Life Assurance Scheme ceased. Existing members of the Maplin Scheme were offered membership of the Saltire Scheme. The majority of the members agreed to transfer across and this was completed during 1998. Following the transfer, the winding-up of the Maplin Scheme commenced. Calculations were carried out at the start of 1999 and again in June 2000 to assess whether the winding up would give rise to any additional liabilities. These calculations showed that there would have been no significant additional liabilities at that time although the final position will depend on market conditions at the date the liabilities are crystallised. The winding up of the scheme has been delayed because of problems obtaining data for "Guaranteed Minimum Pensions" from the Department of Work and Pensions computer system and is expected to be completed by September 2003. It is still not expected that there will be any significant additional liabilities. The scheme purchased annuities for deferred members from the Legal & General Assurance Society Insurance Company to the value of £366,919. The cost of acquiring these policies is included in the fund account for the year ended 31 March 2001 and represents the cost of discharging the obligations of the Scheme to the relevant members at the time of purchase. Funds of £200,000 are deposited with ISIS Managed Funds Limited, the purpose of these funds is to buy back members SERPS entitlements. It is anticipated that £120,000 will be required to do this. The balance of the funds are a contingency for the purchase of future annuities with Legal & General.

**Notes** *(continued)*

**22 Related party**

The company is controlled by its parent company Maplin Electronics (Holdings) Limited. The ultimate controlling party is Graphite plc as a result of the size of their shareholding in the Group.

**23 Ultimate parent company**

The company is a subsidiary undertaking of Maplin Electronics (Holdings) Limited.

The largest group in which the results of the company are consolidated is that headed by Maplin Electronics (Holdings) Limited. The consolidated accounts of this company are available to the public from the registered office.