

Registered number
04177082

Must Have It Limited

Directors' Report and Financial Statements 31 December 2012

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COMPANIES HOUSE

Company Information

Directors

TJ Whiting
PD Dobson
JE Morris

Secretary

S Lloyd

Auditors

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Bankers

Lloyds TSB
City Office Branch
PO Box 72
Bailey Drive
Gillingham Business Park
Kent
ME8 0LS

Solicitors

Eversheds
70 Great Bridgewater Street
Manchester
M1 5ES

Registered office

Osprey House
Ore Close
Lymedale Business Park
Newcastle-under-Lyme
ST5 9QD

Registered number

04177082

Directors' Report

The directors present their report and audited financial statements for the year ended 31 December 2012

Principal activity and review of business

On 25 January 2005, the Company announced the closure of its business, as a result of which it ceased trading in March 2005. The recognition of interest receivable on intercompany balances has been the only significant transaction during the year.

The profit and loss account for the year is set out on page 7.

Directors

The directors who served the Company during the year and up to the date of this report, unless otherwise stated, were as follows:

TJ Whiting
PD Dobson
JE Morris

Directors' liabilities

Phosphorus Jersey Limited, the ultimate controlling party, has indemnified one or more of the Company's directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and at the date of approving the directors' report.

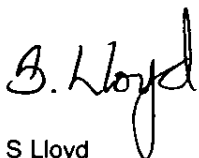
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware, and each director has 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 Group's auditor is aware of that information.

Auditor

Pursuant to a shareholder's resolution, the Company is not obliged to reappoint its auditor annually and therefore KPMG LLP will continue in office.

This report was approved by the board on 24 April 2013.



S Lloyd
Company Secretary

Osprey House
Ore Close
Lyndale Business Park
Newcastle-under-Lyme
ST5 9QD

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these 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 UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure its financial statements comply with the Companies Act 2006. 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.



KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Independent auditor's report to the members of Must Have It Limited

We have audited the financial statements of Must Have It Limited for the year ended 31 December 2012 set out on pages 7 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Must Have It Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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



Peter Meehan (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
24 April 2013

Profit and Loss Account
for the year ended 31 December 2012

	Notes	2012 £	2011 £
Interest receivable and similar income	3	6,806	5,519
Interest payable and similar charges	4	<u>(1,866)</u>	<u>-</u>
Profit on ordinary activities before taxation		4,940	5,519
Tax on profit on ordinary activities	7	(1,210)	(1,462)
Profit for the financial year	12	<u>3,730</u>	<u>4,057</u>

The notes on pages 9 to 12 are an integral part of these financial statements

All results for the years shown relate to continuing operations

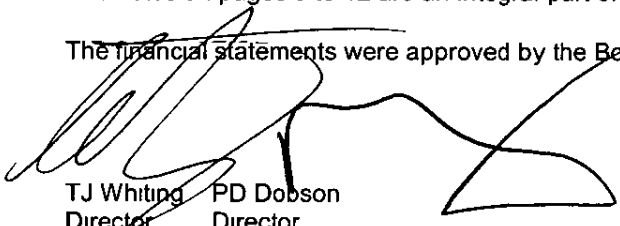
The Company has no recognised gains and losses other than those included in the profit and loss account above, and therefore no separate statement of total recognised gains or losses has been presented


Balance Sheet
As at 31 December 2012

	Notes	2012 £	2011 £
Current assets			
Debtors amounts due within one year	8	62,963	175,065
Cash at bank		50	30,894
		<u>63,013</u>	<u>205,959</u>
Creditors amounts falling due within one year	9	<u>(1,917)</u>	<u>(2,348)</u>
Net current assets		61,096	203,611
Provision for liabilities	10	<u>(1,317,324)</u>	<u>(1,463,569)</u>
Net liabilities		<u>(1,256,228)</u>	<u>(1,259,958)</u>
Capital and reserves			
Called up share capital	11	39,165,165	39,165,165
Profit and loss account	12	<u>(40,421,393)</u>	<u>(40,425,123)</u>
Equity shareholder's deficit	13	<u>(1,256,228)</u>	<u>(1,259,958)</u>

The notes on pages 9 to 12 are an integral part of these financial statements

The financial statements were approved by the Board and signed on its behalf on 24 April 2013 by

 TJ Whiting
Director

 PD Dobson
Director

Registered number 04177082

Notes to the Financial Statements
for the year ended 31 December 2012

1 Accounting policies

The principal accounting policies, which have been applied consistently, are set out below

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention

The Company has net liabilities of £1,256,228 (2011 £1,259,958) Phosphorus Jersey Limited, the Company's ultimate parent undertaking, has indicated that it will provide or procure such funds as are necessary to enable the Company to settle all external liabilities as they fall due

The Company has throughout the year been part of a larger group whose ultimate parent company is incorporated in England and Wales and publishes its consolidated financial statements. Consequently, the Company is exempt under the terms of *FRS 1 Cash Flow Statements* from publishing a cash flow statement

As the Company is a wholly owned subsidiary of Phones4u Finance Plc, the Company has taken advantage of the exemption contained with *FRS 8 Related Party Disclosures* and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Phones4u Finance Plc, within which the Company is included, can be obtained from The Company Secretary, Phones4u Finance Plc, Osprey House, Ore Close, Lymedale Business Park, Newcastle-under-Lyme, ST5 9QD

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more or right to pay less tax

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse

Leases

Rentals paid under operating leases are charged or credited to the profit and loss account on a straight line basis over the lease term

Provision for liabilities

Provisions are recognised when the Company has a legal or constructive obligation as the result of a past act and it is probable that an outflow of resources will occur. Provisions are only recognised when a reliable estimate of the size of any outflow can be made

**Notes to the Financial Statements
for the year ended 31 December 2012**

2 Operating expenses

The audit fee for the year ended 31 December 2012 amounting to £300 (2011 £300) was borne by MobileServ Limited, a fellow group subsidiary. Amounts receivable by the Company's auditors in respect of services to the Company and its associates, other than the audits of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Phosphorus Jersey Limited. The information is also provided in the consolidated financial statements of the Company's intermediate parent company, Phones4u Finance Plc.

3 Interest receivable

	2012 £	2011 £
On group loans	6,806	5,519

4 Interest payable

	2012 £	2011 £
Other interest	1,866	-

5 Directors' emoluments

No director received any emoluments for services to the Company during either year presented in these financial statements.

TJ Whiting, PD Dobson and JE Morris were directors of other group companies as at the year end and during their term as director of this company. Their awards for the services to the group are disclosed in the financial statements of the other group companies.

All serving directors benefited from qualifying third party indemnity provisions purchased by Phosphorus Jersey Limited, the ultimate parent company.

6 Staff costs

The Company has no employees and no staff costs during either year presented in these financial statements.

7 Taxation

(a) Analysis of profit and loss account charge

	2012 £	2011 £
Current tax		
UK corporation tax charge on profit for the year	1,210	1,462

(b) Factors affecting the tax charge

The current tax charge for the year is the same as (2011 same as) the standard rate of UK corporation tax of 24.5% (2011 26.5%).

Notes to the Financial Statements (continued)
for the year ended 31 December 2012

7 Taxation (continued)

(c) Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the company's future current tax charge accordingly.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge.

8 Debtors

	2012 £	2011 £
Amounts owed by group undertakings	62,963	80,117
VAT recoverable	-	94,948
	<u>62,963</u>	<u>175,065</u>

9 Creditors: amounts falling due within one year

	2012 £	2011 £
Corporation tax	1,917	2,348
	<u>1,917</u>	<u>2,348</u>

10 Provision for liabilities

	Lease provisions £
At 1 January 2012	1,463,569
Utilisation	<u>(146,245)</u>
At 31 December 2012	<u>1,317,324</u>

The provision relates to onerous leases in respect of the Company's closed stores.

11 Share capital

	2012 Number	2012 £	2011 Number	2011 £
Allotted, called up and fully paid				
Ordinary shares of £1 each	<u>39,165,165</u>	<u>39,165,165</u>	<u>39,165,165</u>	<u>39,165,165</u>

12 Profit and loss account

	2012 £	2011 £
At start of year	(40,425,123)	(40,429,180)
Profit for the financial year	<u>3,730</u>	<u>4,057</u>
At end of year	<u>(40,421,393)</u>	<u>(40,425,123)</u>

Notes to the Financial Statements (*continued*)
for the year ended 31 December 2012

13 Reconciliation of movement in shareholder's deficit

	2012 £	2011 £
Profit for the financial year	3,730	4,057
At start of year	(1,259,958)	(1,264,015)
At end of year	<u>(1,256,228)</u>	<u>(1,259,958)</u>

14 Related party transactions

The Company is controlled by MobileServ Limited through it holding 100% of the Company's issued share capital. The ultimate controlling party is Phosphorus Jersey Limited through its ability to dominantly influence the financial and operational policies of the Company.

All of the Company's related party transactions were with other companies within the Phones4u Finance Plc group. Such transactions fall within the exemption claimed in note 1.

15 Ultimate parent undertaking

At the balance sheet date, the directors regard Phosphorus Jersey Limited, a company registered in Jersey, as the ultimate parent company.

The largest group in which the results of the Company are consolidated is that headed by Phosphorus Jersey Limited, incorporated in Jersey. The smallest group into which they are consolidated is headed up by Phones4u Finance Plc, a company registered in England and Wales. Copies of the ultimate parent's consolidated financial statements may be obtained from The Company Secretary, Phosphorus Jersey Limited, 47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands.