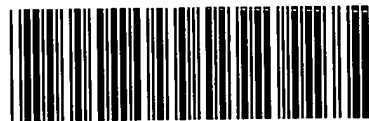


Registered Number: 4213347

KINGFISHER FRANCE LIMITED
Annual Report and Financial Statements
For the Financial Year Ended
31 January 2015

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Kingfisher France Limited
Annual Report and Financial Statements
For the Financial Year Ended 31 January 2015
Contents

	Pages
Directors and officers	1
Directors' report	2-4
Independent auditor's report to the members of Kingfisher France Limited	5-6
Profit and loss account	7
Statement of total recognised gains and losses	8
Balance sheet	9
Notes to the financial statements	10-21

Kingfisher France Limited
Directors and officers

DIRECTORS

D. Paramor
R. C. F. Wardle

COMPANY SECRETARY

R. Cordeschi

REGISTERED OFFICE

3 Sheldon Square
Paddington
London
W2 6PX

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

Kingfisher France Limited

Directors' report

The directors present their annual report and financial statements of Kingfisher France Limited ("the Company") for the financial year ended 31 January 2015.

Principal activities and review of the business

The Company operates as an investment company and head office within the Kingfisher plc group ("the Group"). The directors currently envisage the Company will continue these operations for the foreseeable future. The Company is a UK company with a French branch.

Results and dividends

The profit for the year, after taxation, amounted to £1,422,000 (2014: £2,148,000). The profit for the year was primarily driven by income from fixed asset investments. There were no interim dividends paid (2014: £nil) and the directors do not recommend the payment of a final dividend for the financial year (2014: £nil). The profit, for the year of £1,422,000 (2014: £2,148,000) has been transferred to reserves.

Small companies exemption

This directors' report has been prepared in accordance with the provisions relating to small companies under section 415A of the Companies Act 2006.

Directors

The directors of the Company, who served during the year and up to the date of signing the financial statements are given as follows :

D. Paramor
R.C.F Wardle

Company secretary

The company secretaries of the Company, who served during the year and up to the date of signing the financial statements are given as follows:

K. Hudson (resigned 27 February 2015)
D. Morris (appointed 27 February 2015, resigned 7 August 2015)
R. Cordeschi (appointed 7 August 2015)

Kingfisher France Limited
Directors' report (continued)

Auditor and disclosure of information to auditor

Each person who is a director at the date of approval of this report and financial statements confirms that:

- so far as he or she is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all steps that he or she ought to have taken as a director in order to make him or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Going concern

The directors confirm that, after making enquiries, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis of accounting in preparing these financial statements.

Kingfisher France Limited
Directors' report (continued)

Statement of directors' responsibilities

The following statement is made with a view to distinguishing for shareholders the respective responsibilities of the directors and the auditor in relation to the financial statements.

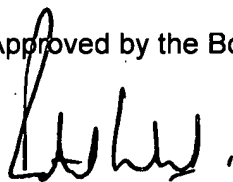
The directors are responsible for preparing this report and the financial statements in accordance with applicable law and regulations:

- company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that 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 United Kingdom 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 confirm that they have complied with the above requirements in preparing this report and the financial statements.

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 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.

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



R. Cordeschi
Company Secretary
17 August 2015

Independent auditor's report to the members of Kingfisher France Limited

We have audited the financial statements of Kingfisher France Limited for the financial year ended 31 January 2015 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members 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, 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 statement of directors' responsibilities, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 January 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Independent auditor's report to the members of Kingfisher France Limited
(continued)**

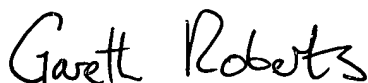
Opinion on other matters prescribed by the Companies Act 2006

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.

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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



Gareth Roberts (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
17 August 2015

Kingfisher France Limited
Profit and loss account
For the year ended 31 January 2015

	Notes	2015 £'000	2014 £'000
Income from fixed asset investments	5	1,992	2,116
Administrative expenses		(4,329)	(2,392)
Depreciation		(3)	(4)
Impairment of fixed asset investments	8	(35)	-
Other income		4,331	2,777
Profit on ordinary activities before interest and taxation		1,956	2,497
Interest receivable from Group undertakings		37	50
Interest payable to Group undertakings		(115)	(114)
Profit on ordinary activities before taxation	4	1,878	2,433
Taxation on profit on ordinary activities	6	(456)	(285)
Profit for the financial year	14	1,422	2,148

The profits for the year and previous year arise solely from continuing operations.

There is no difference between the profit for the year and the previous year stated above and the historical cost equivalent.

Kingfisher France Limited
Statement of total recognised gains and losses
For the year ended 31 January 2015

	Note	2015 £'000	2014 £'000
Profit for the financial year		1,422	2,148
Currency translation losses on foreign currency net investments	14	(3,919)	(3,003)
Total recognised losses relating to the year		<u>(2,497)</u>	<u>(855)</u>

Kingfisher France Limited
Balance sheet
as at 31 January 2015

	Notes	2015 £'000	2014 £'000
Non-current assets			
Tangible fixed assets	7 5		8
Investments	8 3,174,153	3,174,188	
Deferred tax assets	12 424	399	
Total non-current assets		3,174,582	3,174,595
Current assets			
Debtors: amounts falling due within one year	9 46,055	45,199	
Current liabilities			
Creditors: amounts falling due within one year	10 (35,162)	(32,471)	
Net current assets		10,893	12,728
Net assets		<u>3,185,475</u>	<u>3,187,323</u>
Capital and reserves			
Called up share capital	13 2,937,641	2,937,641	
Profit and loss reserve	14 247,834	249,682	
Shareholders' funds	15	<u>3,185,475</u>	<u>3,187,323</u>

The financial statements of Kingfisher France Limited (registered number 4213347) were approved by the Board of Directors and authorised for issue on 17 August 2015. These are signed on its behalf by:



D. Paramor
Director

Kingfisher France Limited
Notes to the financial statements
Year ended 31 January 2015

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom, which have been applied consistently through the current and prior years. The financial statements are made up to the nearest Saturday to 31 January, so as to coincide with its ultimate holding company. The current financial year is the 52 weeks ended 31 January 2015. The comparative financial year is for the 52 weeks ended 1 February 2014.

The Company's ultimate parent company is Kingfisher plc and the cash flows of the Company are shown in the consolidated financial statements of the Group, which are publicly available. Consequently the Company is exempt under the terms of Financial Reporting Standard 1 (revised) from publishing a cash flow statement.

The Company is exempt under Section 400 of the Companies Act 2006 from publishing consolidated financial statements as it and its subsidiaries are included by full consolidation in the consolidated financial statements of its ultimate parent, Kingfisher plc, which is registered in England and Wales.

The Company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities which are wholly-owned within the Group.

The directors' assessment of going concern is set out in the directors' report on page 3.

Interest

Interest receivable and payable are accrued on a daily basis.

Dividends

Dividends are recognised when declared.

Foreign currency transactions and balances

Transactions denominated in foreign currencies are translated into Sterling at the exchange rate prevailing on the date of the transaction or, for practical reasons, at average monthly rates where exchange rates do not fluctuate significantly.

Monetary assets and liabilities denominated in foreign currencies which are held at the balance sheet date are converted into Sterling at the period end exchange rates. Exchange differences on monetary items are taken into the profit and loss account.

Exceptions to this are where the monetary items form part of the net investment in a foreign operation. Exchange differences arising on the retranslation of foreign operations are recognised in the profit and loss reserve.

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

1. Accounting policies (continued)

Fixed asset investments

Fixed asset investments are included in the balance sheet at cost, less any provisions for impairment.

Taxation

The income tax expense represents the sum of tax currently payable and deferred tax. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit before taxation as reported in the profit and loss account because it excludes items of income or expense which are taxable or deductible in other years or which are never taxable or deductible.

Deferred taxation

Provision is made for deferred taxation using the incremental provision approach and is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of timing differences that have originated but not reversed by the balance sheet date subject to the following:

- deferred tax is recognised on unremitted earnings of overseas subsidiaries, associates and joint ventures only where dividends are accrued as receivable or there is an intention to remit these in the foreseeable future;
- deferred tax assets are recognised to the extent that they are regarded as recoverable. Assets are regarded as recoverable when it is regarded as 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 not recognised on permanent differences.

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are included in the balance sheet at cost, less accumulated depreciation and any provisions for impairment. Depreciation of tangible fixed assets is provided to reflect a reduction from cost to estimated residual value over the estimated useful life of the asset to the Company. Depreciation of tangible fixed assets is calculated using the straight-line method and the annual rates applicable to the principal categories are:

Fixtures, fittings and equipment - between 5% and 20%

Tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Tangible fixed assets also include computer software development costs, held in the balance sheet at cost, less accumulated depreciation and any provisions for impairment. These assets are amortised over their estimated useful lives, which does not exceed four years.

Share-based payments

The Company participates in several equity-settled, share-based compensation plans. The plans are settled on vesting with ultimate parent company shares and accounted for as equity-settled arrangements. As a result, the profit and loss account is charged with the expense with the corresponding entry to equity. On vesting of the individual arrangements, the employee obligation is settled by Kingfisher plc and the Company is recharged for the award.

The fair value of the Company's employees' services received in exchange for the grant of options or deferred shares is recognised as an expense and is calculated using Black-Scholes and stochastic models. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options or deferred shares granted, excluding the impact of any non-market vesting conditions. The value of the charge is adjusted to reflect expected and actual levels of options vesting due to non-market vesting conditions.

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

2. Employees

	2015 £'000	2014 £'000
Included within administrative expenses are the following staff costs:		
Wages and salaries	2,269	1,520
Social security costs	1,050	488
Share-based compensation	649	314
	<u>3,968</u>	<u>2,322</u>

The average number of employees during the financial year ended 31 January 2015 is six (2014: four).

3. Directors' remuneration

None of the directors received any emoluments from the Company in respect of the financial year ended 31 January 2015 (2014: £nil).

4. Profit on ordinary activities before taxation

The profit on ordinary activities is stated after charging depreciation of £3,000 (2014: £4,000). Other income mainly comprises recharges of staff costs.

Auditor's remuneration of £4,000 (2014: £4,000) is borne by the ultimate parent company.

5. Income from fixed asset investments

	2015 £'000	2014 £'000
Income from shares in Group companies	<u>1,992</u>	<u>2,116</u>

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

6. Taxation

	2015 £'000	2014 £'000
UK corporation tax:		
Current tax credit on profit for the year	(2)	(229)
Prior year adjustment	-	(1)
Total UK current tax credit for the year	<u>(2)</u>	<u>(230)</u>
Overseas tax:		
Current tax charge on profit for the year	619	458
Prior year adjustment	(118)	(164)
Total overseas current tax charge for the year	<u>501</u>	<u>294</u>
Total current tax charge for the year	<u><u>499</u></u>	<u><u>64</u></u>
Deferred tax:		
(Credit)/charge for the year	(43)	172
Prior year adjustment	-	49
Total tax charge for the year	<u><u>456</u></u>	<u><u>285</u></u>

The tax assessed for the year is higher (2014: lower) than the standard rate of corporation tax in the UK for the year ended 31 January 2015 of 21.33% (2014: 23.17%). The differences are explained below:

	2015 £'000	2014 £'000
Profit on ordinary activities before taxation	<u>1,878</u>	<u>2,433</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax for the UK of 21.33% (2014: 23.17%)	401	564
Effects of:		
Non-taxable items	(403)	(793)
Prior year adjustment	(118)	(165)
Foreign tax suffered	<u>619</u>	<u>458</u>
Total current tax charge for the year	<u><u>499</u></u>	<u><u>64</u></u>

The UK corporation tax rate decreased from 23% to 21% from 1 April 2014, then to 20% from 1 April 2015. The Company's profits for this accounting period are taxed at the standard rate of corporation tax at a blended rate of 21.33% (2014: 23.17%) and the deferred tax balances included in these financial statements reflect the enacted reduction to 20%.

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

7. Tangible fixed assets

	Computer software £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At 2 February 2014	3	462	465
Exchange difference	-	(38)	(38)
At 31 January 2015	3	424	427
Depreciation			
At 2 February 2014	(3)	(454)	(457)
Charge for year	-	(3)	(3)
Exchange difference	-	38	38
At 31 January 2015	(3)	(419)	(422)
Net book value			
At 1 February 2014	-	8	8
At 31 January 2015	-	5	5

8. Investments

	Investments in subsidiary undertakings £'000
Cost and net book value	
At 1 February 2014	3,174,188
Impairment	(35)
At 31 January 2015	3,174,153

An impairment of £35,000 (2014: £nil) was taken against the investments in KFL 3 SASU, KFL 4 SASU, and KFL 5 SASU.

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

8. Investments (continued)

Interests in Group undertakings

Name	Country of Incorporation	Class of Share	% Owned
Alcedo Finance Limited ⁽¹⁾	United Kingdom	Ordinary	100%
B&Q plc	United Kingdom	Ordinary	100%
CMW (UK) Limited	United Kingdom	Ordinary	100%
Dickens Limited	United Kingdom	Ordinary	0%
Kingfisher Future Homes Limited	United Kingdom	Ordinary	100%
Kingfisher Information Technology Services (UK) Limited	United Kingdom	Ordinary	100%
New England Paint Company Limited	United Kingdom	Ordinary	100%
Sheldon Poland Investments Limited	United Kingdom	Ordinary	100%
Sheldon Do Brasil Participacoes Ltda. (previously Castorama Do Brasil Participacoes Ltda.)	Brazil	Ordinary	100%
9133-0589 Quebec Inc	Canada	Ordinary	100%
B&Q (China) Homeworld Co., Ltd	China	Ordinary	100%
B&Q (China) Investment Co., Ltd	China	Ordinary	100%
B&Q (China) Property Development Co. Ltd.	China	Ordinary	100%
B&Q (Shanghai) Management System Co Ltd	China	Ordinary	100%
B&Q Chengdu Shopping Center Co Ltd	China	Ordinary	100%
Beijing B&Q Decorative & Building Materials Co., Ltd	China	Ordinary	80%
Changchun B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Chengfeng B&Q (Shanghai) Enterprise Management System Co., Ltd.	China	Ordinary	100%
Chongqing B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Dalian B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Dongguan B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Fujian B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Fuzhou B&Q Decoration & Building Materials Co. Ltd	China	Ordinary	100%
Guangzhou B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	65%
Hangzhou B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Hangzhou Homeworld Shopping Center Co., Ltd	China	Ordinary	64%
Harbin B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Hefei Chengfeng B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Kunming B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Nanjing B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Nanjing Homeworld Shopping Center Co., Ltd	China	Ordinary	100%
Ningbo B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Qingdao B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Qingdao B&Q Homeworld Co., Ltd.	China	Ordinary	100%
Shanghai B&Q Building Materials Supermarket Co. Ltd.	China	Ordinary	25%
Shanghai B&Q Decoration Co Ltd	China	Ordinary	75%
Shanghai B&Q Decoration Service Co. Ltd.	China	Ordinary	50%
Shanghai B&Q Management Consultancy Co Ltd	China	Ordinary	99%
Shanghai B&Q Warehouse Co., Ltd	China	Ordinary	100%
Shanghai Changzheng Homeworld Logistics Co., Ltd	China	Ordinary	85%
Shanghai Home-Dec Building Materials Co., Ltd	China	Ordinary	90%
Shanghai Homeworld Logistics Co., Ltd	China	Ordinary	95%
Shanghai Homeworld Shopping Center Co., Ltd	China	Ordinary	65%

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

8. Investments (continued)

Name	Country of Incorporation	Class of Share	% Owned
Shanghai Meilong Homeworld Logistics Co., Ltd	China	Ordinary	97%
Shanghai Minhang B&Q Decoration & Building Materials Supermarket Co. Ltd.	China	Ordinary	100%
Shenzhen B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	65%
Shenzhen B&Q Property Development Co., Ltd	China	Ordinary	100%
Wuhan B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Wuxi B&Q Building Materials Supermarket Co., Ltd	China	Ordinary	100%
Wuxi B&Q Home Center Co., Ltd	China	Ordinary	100%
Wuxi Chengfeng B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Xi'an B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
Zhuhai Homeworld B&Q Decoration & Building Materials Co., Ltd	China	Ordinary	100%
ADSR Real Estate SASU	France	Ordinary	100%
Brico Dépôt SASU	France	Ordinary	100%
CASSOP 78 SCCV	France	Ordinary	50%
Castorama Dubois Investissements SCA ⁽¹⁾	France	Ordinary	100%
Castorama France SASU	France	Ordinary	100%
Castorama Partenariat SNC	France	Ordinary	100%
Crealfi SA	France	Ordinary	49%
EcoDDS SAS	France	Ordinary	7%
Eijsvogel SARL ⁽¹⁾	France	Ordinary	100%
Euro Dépôt Immobilier SASU	France	Ordinary	100%
Halcyon SARL ⁽¹⁾	France	Ordinary	100%
Immobiliere de l'Epinoy SASU	France	Ordinary	100%
KF3 SASU	France	Ordinary	100%
KF5 SASU	France	Ordinary	100%
KFL1 SASU ⁽¹⁾	France	Ordinary	100%
KFL2 SASU ⁽¹⁾	France	Ordinary	100%
KFL3 SASU ⁽¹⁾	France	Ordinary	100%
KFL4 SASU ⁽¹⁾	France	Ordinary	100%
KFL5 SASU ⁽¹⁾	France	Ordinary	100%
Kingfisher France SAS	France	Ordinary	100%
Kingfisher France Services SASU	France	Ordinary	100%
Kingfisher Information Technology Services (France) SASU ⁽¹⁾	France	Ordinary	100%
Kingfisher International Holdings SASU	France	Ordinary	100%
Kingfisher International Investments SASU	France	Ordinary	100%
Kingfisher SARL ⁽¹⁾	France	Ordinary	100%
La Tourelle SASU	France	Ordinary	100%
Les Serres du Château SARL	France	Ordinary	100%
L'Immobiliere Castorama SASU	France	Ordinary	100%
Martin Pecheur SARL ⁽¹⁾	France	Ordinary	100%
Pescador SARL ⁽¹⁾	France	Ordinary	100%
SEGUSTERO SASU	France	Ordinary	100%
SNC Dynastock	France	Ordinary	100%
Société Commanditée de Castorama Dubois Investissements - Socodi SARL ⁽¹⁾	France	Ordinary	100%
Société Letranne SCI	France	Ordinary	100%
CMW Asia Holdings Limited	Hong Kong	Ordinary	100%
CMW (China) B.V.	Netherlands	Ordinary	100%

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

8. Investments (continued)

Name	Country of Incorporation	Class of Share	% Owned
CMW Holdings B.V.	Netherlands	Ordinary	100%
Kingfisher Holdings B.V.	Netherlands	Ordinary	100%
Castim Sp z.o.o.	Poland	Ordinary	100%
Castorama Polska Sp. z o.o.	Poland	Ordinary	100%
Euro Depot España SAU	Spain	Ordinary	100%
Koçtaş Yapi Marketleri Ticaret A.Ş.	Turkey	Ordinary	50%

⁽¹⁾ Held directly by Kingfisher France Limited

In the opinion of the directors the aggregate value of the investments in the subsidiaries is not less than the amount stated in the Company's balance sheet.

9. Debtors: amounts falling due within one year

	2015 £'000	2014 £'000
Trade debtors	18	-
Amounts due from Group undertakings	46,037	45,199
	<u>46,055</u>	<u>45,199</u>

Amounts owed by Group undertakings include £46m (2014: £45m) of euro denominated balances, accruing interest at a floating rate based on a daily EONIA (Euro Overnight Index Average) rate, which are unsecured, have no fixed date of repayment and are repayable on demand.

10. Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Amounts owed to Group undertakings	26,157	26,305
Other creditors and accruals	2,361	1,595
Corporation tax creditor	6,644	4,571
	<u>35,162</u>	<u>32,471</u>

Amounts owed to Group undertakings include £26m (2013: £26m) of sterling denominated balances, accruing interest at a floating rate based on a daily SONIA (Sterling Overnight Index Average) rate, which is repayable on demand.

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

11. Share-based payments

The Company operates a number of share incentive plans including the Kingfisher Incentive Share Plan ('KISP'), Kingfisher Incentive Share Scheme ('KISS') and Kingfisher Performance Share Plan ('PSP').

The Kingfisher Incentive Share Plan ('KISP'), Kingfisher Incentive Share Scheme ('KISS') and Performance Share Plan are described as part of the Directors' Remuneration Report in the Kingfisher plc annual report.

The rules of all schemes include provision for the early exercise of options in certain circumstances.

The rights for each of the instruments are granted by the ultimate parent company, Kingfisher plc, and settled by shares in Kingfisher plc. On vesting of the individual arrangements, the employee obligation is settled by Kingfisher plc and the company is recharged the fair value of the award.

The fair value of share options and deferred shares is determined by independent valuers using Black-Scholes and stochastic option pricing models. The inputs of the principal schemes into these models are as follows:

	Date of grant	Share price at grant £	Exercise price £	Expected life ⁽²⁾ years	Expected Volatility ⁽³⁾ %	Dividend yield %	Risk free rate %	Fair value £
Kingfisher Incentive Share Scheme(1)	25/04/12	2.96	—	7.0	—	—	—	2.96
	11/04/13	2.97	—	7.0	—	—	—	2.97
	23/04/14	4.19	—	7.0	—	—	—	4.19
Performance Share Plan	17/06/11	2.65	—	7.0	—	—	—	2.65
	21/10/11	2.63	—	7.0	—	—	—	2.63
	03/05/12	2.91	—	7.0	—	—	—	2.91
	16/10/12	2.81	—	7.0	—	—	—	2.81
	25/04/13	3.10	—	7.0	—	—	—	3.10
	22/10/13	3.74	—	7.0	—	—	—	3.74
Kingfisher Incentive Share Plan –	03/07/14	3.61	—	7.0	—	—	—	3.61
Long Term Incentive Awards	15/09/14	3.16	—	7.0	—	—	—	3.16

(1) The Kingfisher Incentive Share Scheme includes the Company Share Option Plan ('CSOP') element of the KISS awards. Details of the CSOP element of the award are set out in the Director's Remuneration Report of the Kingfisher PLC annual report.

(2) Expected life is disclosed based on the UK schemes. For the KISP, KISS and PSP schemes in the UK, the expiry date is 7 years from the date of grant. Expiry of overseas KISS schemes is 6 months from the date of vesting. Expiry of overseas KISP – Long Term Incentive Award schemes is 1 year from the date of vesting.

(3) Expected volatility was determined for each individual award, by calculating the historical volatility of the Group's share price (plus reinvested dividends) immediately prior to the grant of the award, over the same period as the vesting period of each award, adjusted by expectations of future volatility.

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

11. Share-based payments (continued)

The company recognised a total expense of £649,000 in the year ended 31 January 2015 (2013/14: £314,000) relating to equity-settled share-based payment transactions.

A summary of options is detailed below.

	2015		2014	
	Options Number	Weighted average exercise price £	Options Number	Weighted average exercise price £
Outstanding at beginning of year	1,700,944	-	1,872,991	0.08
Transferred between group companies	(395,153)	-	-	-
Granted during the year(1)	116,866	-	329,741	-
Forfeited during the year	(809,907)	-	-	-
Exercised during the year	(304,669)	-	(501,788)	0.28
Outstanding at end of year	308,081	-	1,700,944	-
Exercisable at end of year	38,210	-	-	-

(1) The charge to the income statement for the years ended 31 January 2015 and 1 February 2014 in respect of share-based payments includes the first year's charge of the 2015 Kingfisher Incentive Share Plan ('KISP') – Deferred Bonus Award and 2014 Kingfisher Incentive Share Scheme ('KISS') grants respectively, based on the cash bonus for the year. Since grants under the KISP – Deferred Bonus Award and KISS are made following the year end to which the first year of charge relates, it is not possible to give the number of options granted until after the year end.

Options have been exercised on a regular basis throughout the year. On that basis, the weighted average share price during the year, rather than at the date of exercise, is £3.49 (2013/14: £3.53). The options outstanding at the end of the year have exercise prices of nil and a weighted average remaining contractual life of 2.3 years (2013/14: 1.4 years).

12. Deferred taxation

Deferred tax is provided as follows:

	2015 £'000	2014 £'000
At start of the year	399	633
Credit/(charge) to profit and loss account	43	(172)
Adjustments in respect of prior periods	-	(49)
Foreign exchange losses	(18)	(13)
At end of the year	424	399

Kingfisher France Limited
Notes to the financial statements (continued)
Year ended 31 January 2015

13. Share capital

	2015 £'000	2014 £'000
Allotted and fully paid: 2,937,640,653 (2014: 2,937,640,653) ordinary shares of £1 each	<u>2,937,641</u>	<u>2,937,641</u>

14. Profit and loss reserve

	2015 £'000	2014 £'000
At start of year	249,682	251,137
Profit for the financial year	1,422	2,148
Foreign exchange loss	(3,919)	(3,003)
Share based payment compensation - charge	649	314
Share based payment compensation - recharge payment	-	(914)
At end of year	<u>247,834</u>	<u>249,682</u>

15. Reconciliation of movements in shareholders' funds

	2015 £'000	2014 £'000
Opening shareholders' funds	3,187,323	3,188,778
Profit for the financial year	1,422	2,148
Foreign exchange loss	(3,919)	(3,003)
Share based payment compensation - charge	649	314
Share based payment compensation - recharge payment	-	(914)
Closing shareholders' funds	<u>3,185,475</u>	<u>3,187,323</u>

16. Ultimate holding company

The immediate parent company is Sheldon Holdings Limited which is incorporated in the United Kingdom and is registered in England and Wales.

The ultimate parent company is Kingfisher plc which is incorporated in the United Kingdom and registered in England and Wales. A copy of the Annual Report and Accounts of the ultimate parent company can be obtained (printed or downloaded) from www.kingfisher.com.

The largest and smallest group into which the Company's financial statements are consolidated is that headed by Kingfisher plc, the Company's ultimate parent company.