

Maplin Electronics (Holdings) Limited

Annual report and financial statements

Registered number 04220419

52 weeks ended 18 March 2017

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Directors and company information

Directors

O J Meakin
P Brigden
G Harris
L A Dunsmuir
S Fitzpatrick

Bankers

Wells Fargo Capital Finance (UK) Limited
90 Long Acre
London
WC2E 9RA

Lloyds Banking Group
14 Church Street
Sheffield
S1 1HP

Auditor

KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Registered office

Brookfields Way
Manvers
Wath-upon-Deerne
Rotherham
South Yorkshire
S63 5DL

Strategic report

Principal activities

Maplin Electronics (Holdings) Limited is an intermediate holding company. The subsidiary predominantly trades as a retailer of electronic goods.

Business review

During the period the Company has operated as a non-trading intermediate holding company. During the period an intercompany loan rationalisation took place, resulting in the receipt of a dividend in specie from the Company's wholly owned subsidiary, Maplin Electronics Limited, in the form of a receivable due from MEL Midco Limited. The receivable due from MEL Midco Limited was subsequently assigned to the Company's immediate parent company, Maplin Electronics Group (Holdings) Limited, by way of dividend in specie.

The weakening of Sterling against the dollar and Far East currencies following the Brexit vote in June 2016 represents a challenge to the trading subsidiary going forward. We have adopted a strategy of sharing the cost increase of imported products between our supply base, re-sourcing, and passing some of the increase onto our customers in higher retail prices but inevitably we have seen a reduction in our gross margins as we seek to remain competitive in a challenging market. The full impact on profitability in the year to March 2017 was partially reduced by hedging which was put in place before the vote.

Key performance indicators

The directors consider the key performance measure of the Company to be the underlying performance of its trading subsidiary, Maplin Electronics Limited. Maplin Electronics Limited uses numerous key performance indicators (KPIs), both financial and non-financial, to manage the business, including:

	18 March 2017	19 March 2016
Turnover	£236m	£235m
EBITDA	£8.9m	£12.7m
LFL%	+0.3%	-1.1%
Stock days	154	157
Core Stock Availability	95.7%	96.8%

Earnings before interest, tax, depreciation and amortisation ('EBITDA') is calculated as operating profit, with depreciation of tangible fixed assets; gain / loss on fixed asset disposals and amortisation of intangible assets added back

Principal risks and uncertainties

The principal risks and uncertainties facing the Company are strongly linked to those which impact its only subsidiary, Maplin Electronics Limited. The biggest risk to Maplin Electronics Limited in the foreseeable future remains consumer confidence, which has been further impacted by the Brexit vote, the associated inflation on imported goods and ongoing uncertainty resulting from the ongoing Brexit negotiations. We review our operating activities on a regular basis to ensure we continue to address customers' needs, as well as exploring and developing new opportunities within the markets we operate in.

Strategic report *(continued)*

Future developments

In FY18 we have continued our investment programme in improving our website, trialling new Services and refining 'Store of the Future' format, ahead of nationwide launches. The Board believes that this investment will continue to differentiate Maplin's offer against the backdrop of an increasingly challenged marketplace. Given the timing of the investments it anticipates that the benefits will arise in the latter part of FY18.

Signed on behalf of the board



L A Dunsmuir
Director

Brookfields Way
Manvers
Wath-upon-Dearne
Rotherham
South Yorkshire
S63 5DL

21 November 2017

Directors' report

The directors present their annual report and the audited financial statements for the 52 weeks ended 18 March 2017.

Directors and directors' interests

The directors who held office during the period and up to the date of signing this report were as follows:

J B Cleland	(resigned 10 September 2016)
O J Meakin	
N A McGowan	(resigned 7 October 2016)
P Brigden	
G Harris	
L A Dunsmuir	
S Fitzpatrick	

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

The Company is a wholly owned subsidiary of Maplin Electronics Group (Holdings) Limited.

Going concern

The Directors have prepared the Financial Statements on a going concern basis. This has been more fully explained in note 1.2 to the accounts.

Dividends

During the period a dividend in specie of £9.5m was received from Maplin Electronics Limited in the form of a receivable due from MEL Midco Limited. The receivable due from MEL Midco Limited was subsequently assigned to the Company's immediate parent company MEGHL, by way of dividend in specie (2016: *£nil*).

Political contributions

The Company made no political contributions during the period (2016: *£nil*).

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 Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' report *(continued)*

Auditor

In accordance with Section 487 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



L A Dunsmuir
Director

Brookfields Way
Manvers
Wath-upon-Deane
Rotherham
South Yorkshire
S63 5DL

24 November 2017

Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The directors are responsible for preparing the Strategic report, 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), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 that the 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

1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
United Kingdom

Independent auditor's report to the members of Maplin Electronics (Holdings) Limited

We have audited the financial statements of Maplin Electronics (Holdings) Limited for the 52 week period ended 18 March 2017 set out on pages 9 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 Statement of directors' responsibilities set out on page 6, 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 18 March 2017 and of its profit for the period 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.

Independent auditor's report to the members of Maplin Electronics (Holdings) Limited *(continued)*

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial period is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and Directors' report:

- we have not identified material misstatement in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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.



Claire Needham (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

24/11 2017

Profit and loss account and other comprehensive income
for the 52 weeks ended 18 March 2017

	<i>Notes</i>	52 weeks ended 18 March 2017 £'000	52 weeks ended 19 March 2016 £'000
Operating profit	2	-	-
Income from shares in group undertakings		<u>9,500</u>	<u>-</u>
Profit on ordinary activities before taxation		9,500	-
Tax on result on ordinary activities	4	<u>-</u>	<u>-</u>
Profit for the financial period		<u>9,500</u>	<u>-</u>

There were no items in the current or prior period taken to other comprehensive income.

The profit for the financial period is derived entirely from continuing operations.

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

The notes on pages 12 to 18 form part of the financial statements.

Balance sheet
at 18 March 2017

	<i>Note</i>	18 March 2017		19 March 2016	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	5		34,078		34,078
Current assets					
Debtors	6	3,792		3,792	
Creditors: amounts falling due within one year	7	(34,137)		(34,137)	
Net current liabilities			(30,345)		(30,345)
Net assets			3,733		3,733
Capital and reserves					
Called up share capital	8		17		17
Share premium account			1,063		1,063
Profit and loss account			2,653		2,653
Shareholders' funds			3,733		3,733

The notes on pages 12 to 18 form part of the financial statements.

These financial statements were approved by the board of directors on *24 November* 2017 and were signed on its behalf by:



L A Dunsmuir
Director

Registered number: 04220419

Statement of changes in equity
for the 52 weeks ended 18 March 2017

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 22 March 2015	17	1,063	2,653	3,733
Total comprehensive income for the period				
Profit or loss	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	-	-
Transactions with owners, recorded directly in equity				
Dividends	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-
Balance at 19 March 2016	17	1,063	2,653	3,733

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 20 March 2016	17	1,063	2,653	3,733
Total comprehensive income for the period				
Profit for the period	-	-	9,500	9,500
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	9,500	9,500
Transactions with owners, recorded directly in equity				
Dividend in specie paid	-	-	(9,500)	(9,500)
Total contributions by and distributions to owners	-	-	(9,500)	(9,500)
Balance at 18 March 2017	17	1,063	2,653	3,733

The notes on pages 12 to 18 form part of the financial statements.

Notes to the financial statements (forming part of the financial statements)

1 Accounting policies

Maplin Electronics (Holdings) Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

These accounts present the results for the 52 weeks ended 18 March 2017. The comparative period is the 52 weeks ended 19 March 2016.

The Company's ultimate parent undertaking, MEL Topco Limited includes the Company in its consolidated financial statements. The consolidated financial statements of MEL Topco Limited are available to the public and may be obtained from Brookfields Way, Manvers, Wath-upon-Deane, Rotherham, South Yorkshire, S63 5DL. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of MEL Topco Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis. There are no areas of significant accounting judgement.

1.2 Going concern

The Company is part of MEL Topco Limited Group, which includes a number of holding companies and a trading subsidiary which predominantly trades as a retailer of electronic goods (Maplin Electronics Limited). The going concern assessment is performed over the Group as a whole and the disclosure below is in line with the Group financial statements (MEL Topco Limited). The Group referred to below is MEL Topco Limited and its fully owned subsidiaries, including Maplin Electronics (Holdings) Limited.

The Directors consider it appropriate to prepare these financial statements on a going concern basis. The forecasts used to perform this assessment reflect the downturn in like for like trading year to date, anticipated benefits from the investments made in our strategic initiatives, initiated cost saving plans and working capital reduction in the trading subsidiary.

The bank facilities available to the Group (provided by Wells Fargo Capital Finance (UK) Limited) at the balance sheet date were as follows : Cashflow loan £2.9m (held in MEL Bidco Limited), revolving credit facility held in Maplin Electronics Limited £31.3m (of which £2.9m was drawn), and guarantees provided by Maplin Electronics

Notes (continued)

1 Accounting policies (continued)

1.2 Going concern (continued)

Limited to Lloyds Banking Group to cover a duty deferment guarantee provided to HMRC and Cardnet merchant acquiring services of £0.8m. The combined facility limit is £35m.

Post the balance sheet date, an agreement has been made with Wells Fargo Capital Finance (UK) Limited to amend the terms detailing the amount available under the revolving credit facility, and the associated covenants. The overall facility limit remains at £35m, but the drawdown terms and covenant requirements are now more appropriate in meeting the needs of the business.

Following the changes to the facility agreed after the balance sheet date, the Directors have reviewed the Group's cash position, cash flow forecasts and resultant covenants ruling the revolving credit facility and cashflow loan. This review has extended to November 2018, being 12 months from the date of signing the accounts. After sensitising the forecasts for various scenarios and taking account of further mitigating actions that are available to the Group, the Directors believe that the Group can continue to operate within the facilities now in place and therefore continue to adopt the going concern basis in these accounts.

The group is forecast to remain cash generative at an operating activities level. Additionally, the Group owes loan notes and related accrued interest on loan notes totalling £93m, which is held by shareholders. In addition, the Group owes £2.9m in relation to a cashflow loan facility with Wells Fargo Capital Finance (UK) Limited

Excluding shareholder loan note balances and the cashflow loan, the Group showed a net cash in hand position of £7m at 18 March 2017.

Based upon the forecasts for the 12 months, the directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the MEL Topco Limited group to continue as a going concern or its ability to continue with the current banking arrangements.

Post the balance sheet date, the redemption date of all series of loan notes (A1, A2, B1 and B2) has been extended from 30 June 2019 to 30 June 2022. This supports the directors' opinion that the loan note balance does not represent a cash liability in the foreseeable future, and that the potential settlement of this balance does not need to be factored into the assessment of going concern.

1.3 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond

Notes (continued)

1 Accounting policies (continued)

1.4 Basic financial instruments (continued)

normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument. *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss. Other investments are measured at cost less impairment in profit or loss.

Investments in subsidiaries

These are separate financial statements of the Company. Investments in subsidiaries are carried at cost less impairment.

1.5 Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.6 Provisions

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Notes (continued)

2 Expenses and auditor's remuneration

	52 weeks ended 18 March 2017 £'000	52 weeks ended 19 March 2016 £'000
Auditor remuneration:		
-audit	4	4
-tax compliance	2	-
-all other tax advisory services	2	-
	<u>8</u>	<u>4</u>

Auditor remuneration was borne by another group company. The allocated audit fee was £4,000 (2016: £4,000).

3 Remuneration of directors

The directors, listed on page 4, were the only employees of the Company during the period. The directors received no remuneration from this company for their services to the Company for the 52 weeks ended 18 March 2017 (2016: £nil). It is not considered feasible to allocate their remuneration for services to this Company paid by other Group entities.

4 Taxation

Total tax expense recognised in the profit and loss account:

	52 weeks ended 18 March 2017 £'000	52 weeks ended 19 March 2016 £'000
Analysis of charge in period		
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
	<u>-</u>	<u>-</u>
Total current tax	-	-
<i>Deferred tax</i>		
Origination/reversal of timing differences	-	-
	<u>-</u>	<u>-</u>
Total tax	<u>-</u>	<u>-</u>

All taxation expense is recognised in the profit and loss account.

Notes (continued)

4 Taxation (continued)

Reconciliation of effective tax rate

	52 weeks ended 18 March 2017 £'000	52 weeks ended 19 March 2016 £'000
Profit for the year	9,500	-
Total tax expense	-	-
Profit before tax	9,500	-
Tax using the UK corporation tax rate of 20% (2016: 20%)	1,900	-
Non-taxable income	(1,900)	-
Total tax expense included in profit or loss	-	-

Factors affecting the tax charge for the future periods

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Notes (continued)

5 Fixed asset investments

	Shares in group undertaking £'000
At 19 March 2016 and 18 March 2017	34,078

The Company has the following investments in subsidiaries:

	Country of incorporation	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
Maplin Electronics Limited	England*	Retail and Mail Order Electronics	100% ordinary shares
Maplin Electronics (HK) Limited **	Hong Kong***	Buying, sourcing and shipping of products	100% Ordinary shares

Maplin Electronics Limited has an overseas branch in Taiwan.

* Registered office address: Brookfields Way, Manvers, Wath-upon-Deane, Rotherham, South Yorkshire, S63 5DL

** Indirectly held through Maplin Electronics Limited

*** Registered office address: Room 9B, 9th Floor, KOHO, No. 73-75 Hung To Road, Kwun Tong, Kowloon, Hong Kong

6 Debtors

	18 March 2017 £'000	19 March 2016 £'000
Amounts owed by group undertakings	3,792	3,792

Amounts owed by group undertakings are repayable on demand. No interest was charged on amounts owed by group undertakings during the period (2016: £nil).

7 Creditors: amounts falling due within one year

	18 March 2017 £'000	19 March 2016 £'000
Amounts owed to group undertakings	34,137	34,137

Amounts owed to group undertakings are repayable on demand. No interest was due on amounts owed to group undertakings during the period (2016: £nil).

Notes (continued)

8 Called up share capital

	18 March 2017		19 March 2016	
	No	£'000	No	£'000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £0.01 each	1,044,387	10	1,044,387	10
7% cumulative preferred ordinary shares of £0.01 each	400,000	4	400,000	4
6% cumulative preferred ordinary shares of £0.01 each	300,000	3	300,000	3
	<u>1,744,387</u>	<u>17</u>	<u>1,744,387</u>	<u>17</u>

The preferred ordinary shares may attract additional dividends related to profit before interest and tax in accordance with formulae provided in the Articles of Association.

On a winding up the preference shares would rank before any other class of shares and would be entitled to the subscription price together with a sum equal to any arrears calculated to the date of return of any capital. Preference shareholders shall be entitled to attend but not to vote at general meetings of the Company.

Following the adoption of FRS 102 the Company has not recognised separately the debt component of the cumulative preference shares as liabilities on the grounds of insignificance.

9 Ultimate parent company

The directors consider that the ultimate controlling party is Rutland Partners LLP as a result of the size of their shareholding in MEL Topco Limited.

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

The smallest and largest group in which the results of the Company are consolidated is that headed by MEL Topco Limited. The consolidated accounts of this company are available to the public from the registered office.