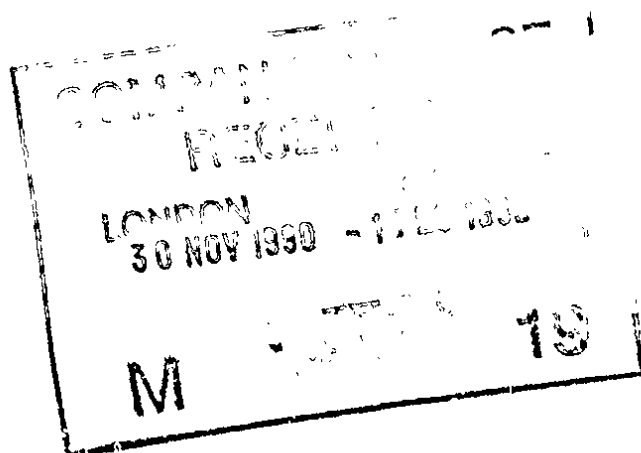


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CURRY'S GROUP PLC

REPORT AND FINANCIAL STATEMENTS

28 APRIL 1990



CURRYS GROUP PLC

REPORT AND FINANCIAL STATEMENTS 1990

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CUREYS GROUP PLC

OFFICERS

Directors M J Souhami
 B M Bennett
 G D Budd

Secretary G D Budd

Registered Office 29 Farn Street, London W1X 7RD

CURRYS GROUP PLC

DIRECTORS' REPORT

The directors submit their annual report and the audited financial statements of the company for the 52 weeks ended 28 April 1990.

1. PRINCIPAL ACTIVITIES

The principal activity of the company until 29 April 1989 was the retailing of domestic electrical appliances, telephone, radio and audio equipment.

2. REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

On 29 April 1989 the business and assets of the company's retail trade were transferred to Dixons Stores Group Limited, hence the results of the company for the period ended 28 April 1990 are not directly comparable to those for the period ended 29 April 1989. The directors expect that the financial position of the company will be maintained.

3. RESULTS AND DIVIDENDS

The directors recommend a final dividend of £1,500,000. After the dividend, retained profits of £5,806,000 (1989 loss £3,559,000) have been transferred to reserves.

4. FIXED ASSETS

Details of fixed assets owned during the period are stated in notes 10 and 11 to the financial statements.

5. DIRECTORS

The directors of the company during the period were as follows:

M J Souhami
B M Bennett
G D Budd

In accordance with the Articles of Association Mr M J Souhami retires by rotation and, being eligible, offers himself for re-election at the Annual General Meeting.

CUREYS GROUP PLC

5. (Continued)

The directors' interests in the shares of Dixons Group plc were as follows:

	28 April 1990	29 April 1989
Dixons Group plc: Ordinary shares of 10p each		
G D Budd	56,500	56,500
Dixons Group Employee Share Option Scheme: options held over 10p Ordinary shares		
G D Budd	160,000	139,582

M J Souhami and B M Bennett are directors of Dixons Group plc, the holding company, and their interests in Dixons Group plc shares and options are shown in the financial statements of that company.

6. AUDITORS

A resolution will be proposed at the Annual General Meeting to re-appoint Touche Ross & Co. as auditors and to authorise the directors to determine their remuneration.

By order of the board



G D Budd
Secretary

27 September 1990

29 Farn Street
London W1X 7RD

CURTIS GROUP PLC

AUDITOR'S REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 14 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 28 April 1990 and of its profit and source and application of funds for the 52 week period then ended and have been properly prepared in accordance with the Companies Act 1985.

Touche Ross & Co.

Touche Ross & Co
Chartered Accountants
Hill House
1 Little New Street
London
EC4A 3TR

27 September 1990

CURRYS GROUP PLCPROFIT AND LOSS ACCOUNT
52 weeks ended 28 April 1990

	Notes	1990 £'000	1989 £'000
Turnover	2	-	585,175
Cost of sales		-	(564,380)
Gross profit		-	20,795
Net operating income/(expenses)	4	6,183	(31,405)
Operating profit/(loss)		6,183	(10,610)
Interest receivable and similar income	5	2,956	4,326
Interest payable	6	-	(1,281)
Profit/(loss) on ordinary activities before tax	7	9,139	(7,565)
Tax on profit/(loss) on ordinary activities	8	(1,833)	4,006
Profit/(loss) on ordinary activities after tax		7,306	(3,559)
Dividends	9	(1,500)	-
Retained profit/(loss) for the period	16	5,806	(3,559)

CURRIS GROUP PLCBALANCE SHEET 28 APRIL 1990

	Notes	1990 £'000	1989 £'000
FIXED ASSETS			
Tangible Assets	10	6,106	9,382
Investments	11	1,419	1,415
		<u>7,525</u>	<u>10,797</u>
CURRENT ASSETS			
Debtors	12	134,559	156,775
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	5,376	35,564
NET CURRENT ASSETS		<u>129,183</u>	<u>121,211</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		136,708	132,008
PROVISIONS FOR LIABILITIES AND CHARGES	14	2,721	3,827
		<u>133,987</u>	<u>128,181</u>
CAPITAL AND RESERVES			
Called up share capital	15	12,389	12,389
Share premium account	16	398	398
Revaluation reserve	16	2,455	2,455
Profit and loss account	16	118,745	112,939
		<u>133,987</u>	<u>128,181</u>

The financial statements were approved by the Board of Directors on 27 September 1990.

B.M. Bennett

G.D. Budd

Directors

CURRYS GROUP PLC

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
52 weeks ended 28 April 1990

	1990 £'000	1989 £'000
SOURCE OF FUNDS		
Profit/(loss) on ordinary activities before tax	9,139	(7,565)
Adjustments for items not involving the movement of funds:		
Depreciation	-	9,381
	<hr/>	<hr/>
Total generated from operations	9,139	1,816
Disposals of tangible fixed assets	3,901	67,437
	<hr/>	<hr/>
	13,040	69,253
	<hr/>	<hr/>
APPLICATION OF FUNDS		
Purchase of tangible fixed assets	625	7,006
Tax paid	-	2,765
Purchase of investment	4	-
	<hr/>	<hr/>
	629	9,771
	<hr/>	<hr/>
	12,411	59,482
	<hr/>	<hr/>
INCREASE/(DECREASE) IN WORKING CAPITAL		
Stock	-	(103,549)
Debtors	(125)	(15,061)
Creditors	256	66,195
Group balances	12,285	95,095
	<hr/>	<hr/>
	12,416	42,680
	<hr/>	<hr/>
(DECREASE)/INCREASE IN NET LIQUID FUNDS	<hr/> (5) <hr/>	<hr/> 16,802 <hr/>

CURRYS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS
52 weeks ended 28 April 1990

1. ACCOUNTING POLICIES

(a) Accounting Convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of land and buildings.

(b) Tangible Fixed Assets

The cost or revalued amount of tangible fixed assets is depreciated over the estimated useful lives of the relevant assets. Depreciation is computed on the straight line basis as follows:

Buildings	Between 1 1/4% and 2% per annum
-----------	---------------------------------

No depreciation is provided on freehold or long leasehold land.

(c) Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

(d) Deferred Taxation

Provision is made for tax deferred in respect of all timing differences likely to reverse in the foreseeable future at rates at which the liability is anticipated to crystallise.

(e) Realised revaluation surpluses

Revaluation surpluses realised on disposal of properties are transferred to the profit and loss account.

2. TURNOVER

Turnover represents retail sales of goods and services by the company to third party customers and excludes value added tax.

CUREYS GROUP PLCNOTES TO THE FINANCIAL STATEMENTS (continued)
52 weeks ended 28 April 1990

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

1990	1989
£'000	£'000

The directors of the company are also officers of the ultimate holding company and have been remunerated in that capacity.

Employee costs during the period:

Wages and salaries	-	47,035
Social security costs	-	3,569
Other pension costs	-	1,271
	<u>-</u>	<u>51,875</u>

The number of company employees whose remuneration exceed £30,000 in the period was:

	1990	1989
£30,000 - £35,000	-	7
£35,001 - £40,000	-	3
£40,001 - £45,000	-	1
	<u>-</u>	<u>11</u>

The weekly average number of persons employed by the company during the period was nil (1989 - 5,791).

4. NET OPERATING INCOME/(EXPENSES)

1990	1989
£'000	£'000
Distribution costs	-
Administrative expenses	(21)
Other operating income	6,204
	<u>6,183</u>

Other operating income represents the profit on disposal of tangible fixed assets and rental income.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

1990	1989
£'000	£'000
Dividends receivable	-
Interest receivable from Group companies	2,945
Bank interest	11
	<u>2,956</u>

CUSSEYS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)
52 weeks ended 28 April 1990

6. INTEREST PAYABLE	1990	1989
	£'000	£'000
Interest payable		
To group companies	-	1,281
	<u>-</u>	<u>1,281</u>
	<u>-</u>	<u>1,281</u>
7. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAX	1990	1989
	£'000	£'000
Profit/(loss) on ordinary activities before tax, after charging:		
Depreciation	-	9,381
Auditors' remuneration	17	90
	<u>-</u>	<u>9,381</u>
	<u>17</u>	<u>90</u>
8. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	1990	1989
	£'000	£'000
Group relief (payable)/receivable	(1,264)	7,312
Deferred taxation	(829)	(1,290)
Adjustment for prior years:		
- corporation tax and group relief	260	1,190
- deferred taxation	-	(3,206)
	<u>(1,833)</u>	<u>4,006</u>
	<u>(1,833)</u>	<u>4,006</u>
9. DIVIDENDS	1990	1989
	£'000	£'000
Ordinary final - proposed (32p per share)	1,500	-
	<u>1,500</u>	<u>-</u>

Dividends on the 4.55% cumulative preference shares are in arrears for 2 years and total £60,060 (1989 : £30,030).

10. TANGIBLE FIXED ASSETS

	Land and buildings £'000
Cost or Valuation	
At 30 April 1989	9,382
Additions	625
Disposals	(2,723)
Transfers to fellow subsidiaries	(1,178)
	<u>6,106</u>
At 28 April 1990	<u>6,106</u>
Depreciation	
At 30 April 1989	-
Charge for the year	-
Disposals	-
Transfers to fellow subsidiaries	-
	<u>-</u>
At 30 April 1990	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
52 weeks ended 28 April 1990

10. TANGIBLE FIXED ASSETS (CONTINUED)

	Land and buildings £'000			
Net book value				
At 28 April 1990				6,106
				<u> </u>
At 29 April 1989				9,382
				<u> </u>
Land and buildings at cost or valuation				
	Freehold £,000	Long Leasehold £'000	Short Leasehold £'000	Total £'000
At 28 April 1990	5,379	524	203	6,106
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 29 April 1989	8,200	979	203	9,382
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The freehold and leasehold properties of the company were revalued at 24 April 1985 on the basis of existing use at open market value. The surplus arising was credited to revaluation reserve after providing for deferred taxation. The original cost and depreciation based on cost of these assets are:

	1990 £'000	1989 £'000
Historical cost	3,651	3,720
Depreciation based on cost	-	-
Historical cost net book value	<u>3,651</u>	<u>3,720</u>

11. FIXED ASSET INVESTMENTS

	Subsidiary Companies £'000
Cost and net book value:	
At 30 April 1989	1,415
Additions	4
At 28 April 1990	<u>1,419</u>

CURRYS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)
52 weeks ended 28 April 1990

11. FIXED ASSET INVESTMENTS

In the opinion of the directors the aggregate value of the shares and amounts owing from the company's unconsolidated subsidiaries is not less than the total amount at which they are stated in the balance sheet.

At 28 April 1990 the company owned all the allotted share capital of the following companies:

Basinghall Collections Limited
Carousel Colourhire Limited
Currys Limited
Currys Microsystems Limited
Dixons plc
Mayad Limited
Power City Stores Limited
R W Proffitt Limited
Starbond Limited
Wigfalls Finance Company Limited

All subsidiary companies are non-trading and are incorporated and operate in the United Kingdom.

Consolidated financial statements have not been prepared as the company is a wholly-owned subsidiary of another United Kingdom public limited company.

12. DEBTORS

	1990	1989
	£'000	£'000
Trade debtors	10	130
Amounts owed by group companies:		
holding company	23,724	122,764
subsidiary companies	108,296	31,607
Other debtors	-	2
Prepayments and accrued income	-	3
Corporation tax	2,529	2,269
	<u>134,559</u>	<u>156,775</u>

Debtors include an amount of £260,000 (1989: £nil) which is due in more than one year.

CURRYS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)
52 weeks ended 28 April 1990

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1990	1989
	£'000	£'000
Bank loans and overdrafts	13	8
Trade creditors	569	768
Amounts owed to fellow subsidiaries	4,627	34,564
Accruals and deferred income	167	224
	<u>5,376</u>	<u>35,564</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES

		Deferred Taxation £'000
At 30 April 1989		3,827
Transfer to profit and loss		(1,106)
At 28 April 1990		<u>2,721</u>
	1990	1989
	£'000	£'000
Deferred taxation for which provision has been made:		
Revaluation surpluses	120	600
Gain deferred by rollover relief	2,601	3,227
	<u>2,721</u>	<u>3,827</u>
Deferred taxation for which no provision has been made:		
Rollover relief	345	125
	<u>345</u>	<u>125</u>

15. CALLED UP SHARE CAPITAL

	Authorised		Allotted and fully paid	
	1990	1989	1990	1989
	£'000	£'000	£'000	£'000
4.55% cumulative preference shares of £1 each	1,000	1,000	660	660
Ordinary shares of 25p each	14,000	14,000	11,729	11,729
	<u>15,000</u>	<u>15,000</u>	<u>12,389</u>	<u>12,389</u>

CURRYS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)
52 weeks ended 28 April 1990

16. RESERVES

	Share premium account £'000	Reval- uation reserve £'000	Profit and loss account £'000
At 30 April 1989	398	2,455	112,939
Retained profit for the period	-	-	5,806
At 28 April 1990	<u>398</u>	<u>2,455</u>	<u>118,745</u>

17. CONTINGENT LIABILITIES

The company has entered into unlimited guarantees with four of its subsidiary companies for any indebtedness to their banker.

18. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Dixons Group plc, which is incorporated in the United Kingdom.