

Maplin Electronics Limited

**Directors' report and financial
statements**

Registered number 1264385

26 December 2009

WEDNESDAY



ARY8KKBM

A26

26/05/2010

274

COMPANIES HOUSE

Contents	Page
Directors and Company information	1
Directors' report	2
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	4
Independent auditors' report to the members of Maplin Electronics Limited	5
Profit and Loss Account	7
Balance Sheet	8
Reconciliation of Movements in Shareholders' Funds	9
Notes to the financial statements	10

Directors and Company information

Directors

K Pacey
D I Whittle
D O'Reilly
J R Codling
C M Masterson
M C Lin
P E Heath
S C Lynas
S B Milner
C Webb

Bankers

Bank of Scotland
38 Threadneedle Street
London
EC29 2HL

Auditors

KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW

Registered office

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

Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 26 December 2009

Principal activities of the company

The principal activity of Maplin Electronics Limited is the retail of electronic and electrical products. The business operates through three channels, namely retail outlets, internet and mail order, the latter servicing both the consumer and business markets. The Maplin Electronics Catalogue is the market leading publication of its kind.

Review of the business and future developments

The business continued to focus on delivering better customer solutions and driving operational efficiencies via strong cost control. The result of this focus and the continued strategy to expand the store network has been to increase operating profit by 11.4% to £35.1m (2008 £31.5m).

Trading performance was reasonable given the difficult retail environment, however owing to the continued decline in footfall on the high street sales growth was not as strong as in previous years. Total sales at £203.7m (2008 £203.6m) were in line with last year, with new store openings compensating for a slight decline in the existing store network and internet / mail order channels.

The store network delivered total sales 1.1% ahead of the prior year (2008 14.6% ahead), however as a result of the difficult economic climate like for like sales in the stores were 5% behind (2008 2.3% ahead). The expansion of the store network continued with the opening of 12 (2008 17) new stores. The store expansion plan is set to continue in 2010 with the planned opening of a further 11 new stores.

The business continues to implement a strategy of ongoing improvement to the interactive internet site (www.maplin.co.uk), although sales fell by 7.9% (2008 8% ahead) in the face of tougher competition.

The mail order business finished the period with sales 11.6% behind (2008 9.2% ahead). The number of mail order transactions continued to decline, as a result of both the recession and the gradual shift in the way people choose to shop, although this was partially offset by a growth in average transaction value.

The biggest risk to the business in the foreseeable future relates to a continued downturn in consumer spending which would impact on the planned sales growth. However this will continue to be mitigated by the roll out of the store expansion plan. Risks of interest rate increases and exchange rate fluctuations have been mitigated through the hedging strategies that have been implemented.

At the reporting date the Company had cash at bank of £35.7m (2008 £16.6m). These funds were principally generated through operations and are net of the significant amount of cash proceeds from operating activities that was reinvested back into the business with spends on the continued expansion of the store network, infrastructure and repayments of the group finance facilities.

The Company has processes and procedures in place to ensure compliance with all relevant environmental duties and regulations.

Dividends

No dividends are proposed.

Policy and practice on payment of creditors

The Company recognises the importance of maintaining good business relationships with its suppliers and aims to pay all invoices within agreed terms.

Overseas branches

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

Directors' report *(continued)*

Directors and directors' interests

The directors who served during the period were as follows

K Pacey
D I Whittle
D O'Reilly
S C Lynas
S B Milner
C L Urbacz (resigned 21st December 2009)
T E Chaloner (resigned 11th May 2009)
C Webb (appointed 6th February 2009)
J R Codling (appointed 11th May 2009)
C M Masterson (appointed 11th May 2009)
M C Lin (appointed 21st April 2009)
P E Heath (appointed 24th January 2010)

The Company is a wholly owned subsidiary of Maplin Electronics (Holdings) Limited whose parent Company is Maplin Electronics Group (Holdings) Ltd

Employees

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

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

Political and charitable contributions

The Company made charitable donations of £16,100 (2008 £10,050) and no political donations (2008 £nil) during the period. Charitable support was given on a national basis to MacMillan Cancer Support and locally to Barnsley Hospice.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

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

By order of the board

K Pacey
Director



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

29 April 2010

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 judgments 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 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditors' report to the members of Maplin Electronics Limited

We have audited the financial statements of Maplin Electronics Limited for the 52 weeks ended 26 December 2009 as set out on pages 7 to 21. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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 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 (APB'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 APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 26 December 2009 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.

Independent auditors' report to the members of Maplin Electronics Limited *(continued)*

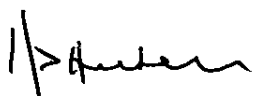
Opinion on other matter prescribed by the Companies Act 2006

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

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



DJ Hutchinson (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

29 April 2010

Profit and Loss Account

for the 52 week period ended 26 December 2009

	<i>Note</i>	52 week period ended 26 December 2009 £000	52 week period ended 27 December 2008 £000
Turnover	2	203,687	203,605
Cost of sales		(95,743)	(97,400)
Gross profit		107,944	106,205
Distribution costs		(26,617)	(23,641)
Administrative expenses		(46,619)	(51,120)
Other operating income		429	76
Operating profit	3	35,137	31,520
Other interest receivable and similar income	6	357	601
Interest payable	7	(26)	(80)
Profit on ordinary activities before taxation		35,468	32,041
Tax on profit on ordinary activities	8	(9,788)	(8,827)
Profit for the financial period	20	25,680	23,214

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

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

Balance Sheet
as at 26 December 2009

	<i>Note</i>	26 December 2009		27 December 2008	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	9		27,837		27,775
Investments	10		17		17
			<hr/>		<hr/>
			27,854		27,792
Current assets					
Stock	11	27,771		27,405	
Debtors	12	78,521		64,377	
Cash at bank and in hand		35,661		16,553	
		<hr/>		<hr/>	
		141,953		108,335	
Creditors amounts falling due within one year	13	(67,225)		(59,198)	
		<hr/>		<hr/>	
Net current assets			74,728		49,137
			<hr/>		<hr/>
Total assets less current liabilities			102,582		76,929
Creditors amounts falling due after more than one year	14	(123)		(111)	
Provisions for liabilities and charges	16	(1,290)		(1,329)	
		<hr/>		<hr/>	
Net assets			101,169		75,489
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	19	420		420	
Share premium	20	429		429	
Profit and loss account	20	100,320		74,640	
		<hr/>		<hr/>	
Equity shareholders' funds			101,169		75,489
			<hr/>		<hr/>

These financial statements were approved by the board of directors on 29 April 2010 and were signed on its behalf by

K Pacey
Director



D I Whittle
Director



Reconciliation of Movements in Shareholders' Funds
for the 52 week period ended 26 December 2009

	52 week period ended 26 December 2009 £'000	52 week period ended 27 December 2008 £'000
Profit for the financial period	25,680	23,214
Addition to shareholders' funds	25,680	23,214
Opening shareholders' funds	75,489	52,275
Closing shareholders' funds	101,169	75,489

Notes to the financial statements

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards in the United Kingdom, modified to include the revaluation of certain land and buildings. The Company has applied the transitional rules contained in FRS 15 'Tangible Fixed Assets' to retain previous valuations as the basis on which these assets are held.

The Company is exempt by virtue of s408 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group.

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

As the Company is a wholly owned subsidiary of Maplin Electronics Group (Holdings) Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Maplin Electronics Group (Holdings) Limited, within which this Company is included, can be obtained from Brookfields Way, Manvers, Wath-upon-Deane, Rotherham, South Yorkshire, S63 5DL.

Depreciation of tangible fixed assets

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

Freehold buildings	- 2% per annum
Long leasehold property and improvements	- shorter of the break clause or end of lease term
Short leasehold property and improvements	- shorter of the break clause or end of lease term
Fixtures, fittings, tools and equipment	- 15% reducing balance
Computer equipment	- 33% on cost
Motor vehicles	- 25% on cost
Internet	- 33% on cost

No depreciation is provided on freehold land.

Foreign currencies

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

Post retirement benefits

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

Notes (continued)

1 Accounting policies (continued)

Taxation

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

Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) 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.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Fees attributable to the raising of finance are deducted from the amount of the finance and then released as a finance cost in the profit and loss account over the duration of the financial instrument.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. Cost comprises purchase price and all other directly attributable costs.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease. Incentives from lessors are recognised as a systematic reduction in the charge to the profit and loss account over the shorter of the lease term, period to first lease break, or period to first rent review.

Cash

Cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that a transfer of economic benefits will be required to settle the obligation and where a reliable estimate can be made of the amount of obligation.

Notes (continued)

1 Accounting policies (continued)

Long term incentive plans

The Company operates long term incentive plans for certain key executives under which amounts are receivable upon the sale of the Maplin Electronics Group (Holdings) Limited ("MEGH") Company. These plans are not linked to the underlying value upon sale, and are therefore treated in accordance with the provisions of FRS 12 *Provisions, Contingent Liabilities and Contingent Assets*.

The charge included in operating profit for the period ended 26 December 2009 in respect of this plan is £nil as a sale of the Company is not considered probable at the period end.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers less discounts and any provisions for returns. Sales are recognised on despatch.

2 Turnover

	Total turnover	
	2009	2008
	£'000	£'000
By activity		
Direct business	22,691	24,494
Stores	180,996	179,111
	203,687	203,605
By destination		
United Kingdom	193,186	191,374
Other	10,501	12,231
	203,687	203,605
By origin		
United Kingdom	193,285	191,518
Other	10,402	12,087
	203,687	203,605

Notes (continued)

3 Operating profit

	2009 £'000	2008 £'000
Profit on ordinary activities is stated after charging/ (crediting)		
Depreciation of owned assets	4,141	3,773
Depreciation of asset held under finance leases	129	126
Loss on disposal of fixed assets	24	301
Operating lease costs – land and buildings	16,094	14,218
Operating lease costs - other	177	148
Hire of plant and machinery	34	45
(Gains)/losses on foreign exchange	(1,056)	112
Changes in accounting estimate – lease incentives	-	(2,410)
	<u> </u>	<u> </u>

Auditors' remuneration

	2009 £000	2008 £000
Amounts receivable by the auditors and their associates in respect of		
Audit of these financial statements	66	67
Other services relating to taxation	30	29
	<u> </u>	<u> </u>

4 Remuneration of Directors

	2009 £'000	2008 £'000
Emoluments	1,267	1,802
	<u> </u>	<u> </u>
Company contributions paid or accrued to money purchase pension schemes	59	68
Company contributions to defined benefit pension schemes	4	-
	<u> </u>	<u> </u>
Retirement benefits are accruing to the following number of directors as follows		
	2009	2008
Members of money purchase pension schemes	5	5
Defined benefit schemes	1	-
	<u> </u>	<u> </u>
	£'000	£'000
The amounts in respect of the highest paid director are as follows		
Emoluments	289	355
	<u> </u>	<u> </u>

Company pension contributions of £Nil (2008 £15,000) were made to a money purchase scheme on his behalf

Notes (continued)

4 Remuneration of Directors (continued)

Discretionary executive bonus plan

The Company operates long term incentive plans for certain key executives under which amounts are receivable upon the sale of the Maplin Electronics Group (Holdings) Limited ("MEGH") company. These plans are not linked to the underlying value upon sale, and are therefore treated in accordance with the provisions of FRS 12 *Provisions, Contingent Liabilities and Contingent Assets*.

The charge included in operating profit in respect of this plan is £nil as a sale is not considered probable at 26 December 2009.

5 Staff numbers and costs

The aggregate payroll costs were as follows

	2009 £'000	2008 £'000
Wages and salaries	27,812	29,427
Social security costs	2,180	2,359
Other pension costs	330	192
	<u>30,322</u>	<u>31,978</u>

The average number of persons employed by the Company (including directors) during the period, analysed by category, was as follows

	Number of employees	
	2009	2008
UK & Ireland	1,658	1,761
Taiwan	12	12
	<u>1,670</u>	<u>1,773</u>

6 Interest receivable

	2009 £'000	2008 £'000
Bank interest receivable from Group banking arrangements	<u>357</u>	<u>601</u>

7 Interest payable

	2009 £'000	2008 £'000
Bank overdraft	6	20
Interest on finance leases / other interest paid	20	60
	<u>26</u>	<u>80</u>

Notes (continued)

8 Taxation

	2009	2008
<i>Analysis of charge in period</i>	£'000	£'000
<i>UK corporation tax</i>		
Current tax on income for the period	-	58
Adjustments in respect of prior periods	(58)	(383)
	<u>(58)</u>	<u>(325)</u>
<i>Group relief</i>		
Current tax on income for the period	9,558	8,295
Adjustments in respect of prior periods	140	250
	<u>9,698</u>	<u>8,545</u>
<i>Foreign tax</i>		
Current tax on income for the period	351	615
Adjustments in respect of prior periods	(203)	(8)
	<u>148</u>	<u>607</u>
Tax on profit on ordinary activities	<u>9,788</u>	<u>8,827</u>

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2008 lower) than the standard rate of corporation tax in the UK of 28% (2008 28.5%). The differences are explained below

	2009	2008
	£'000	£'000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	35,468	32,041
Current tax at 28% (2008 28.5%)	<u>9,931</u>	<u>9,132</u>
<i>Effects of</i>		
Expenses not deductible for tax purposes (primarily non qualifying depreciation)	473	443
Fixed asset timing differences	(594)	(770)
Short term timing differences	99	164
Adjustments to tax charge in respect of previous periods	(121)	(142)
Total current tax charge (see above)	<u>9,788</u>	<u>8,827</u>

Notes (continued)

9 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold property and improvements £'000	Fixtures, fittings, tools and equipment £'000	Computer equipment and motor vehicles £'000	Total £'000
Cost or valuation					
At beginning of period	1,848	26,816	13,983	6,088	48,735
Additions	-	3,112	852	454	4,418
Disposals	-	(166)	(18)	(193)	(377)
At end of period	1,848	29,762	14,817	6,349	52,776
Depreciation					
At beginning of period	646	8,995	6,556	4,763	20,960
Charge for the period	35	2,376	1,156	703	4,270
Disposals	-	(149)	(16)	(126)	(291)
At end of period	681	11,222	7,696	5,340	24,939
Net book value					
At 26 December 2009	1,167	18,540	7,121	1,009	27,837
At 27 December 2008	1,202	17,821	7,427	1,325	27,775

The net book amount of fixed assets at 26 December 2009 includes an amount of £268,085(2008 £300,012) in respect of assets held under finance leases. The related depreciation charge for the period was £128,649 (2008 £126,417).

Leasehold property includes a long lease with a net book value at 26 December 2009 of £135,495(2008 £138,574).

Included in leasehold property, furniture and fittings and computer equipment is £799,057, £172,241 and £106,414 respectively (2008 Leasehold property £104,600) for additions relating to assets not yet in use against which no depreciation has been charged.

10 Investments

	Investment in subsidiaries £'000
At 26 December 2009 and 27 December 2008	17

Notes (continued)

10 Investments (continued)

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

11 Stock

	2009 £'000	2008 £'000
Finished goods and goods held for resale	27,771	27,405

12 Debtors

	2009 £'000	2008 £'000
Trade debtors	878	851
Amounts due from group undertakings	71,223	51,241
Corporation tax recoverable	60	6,583
Other debtors	84	63
Prepayments and accrued income	6,276	5,639
	78,521	64,377

13 Creditors: amounts falling due within one year

	2009 £'000	2008 £'000
Payments on account	383	427
Trade creditors	7,920	7,661
Accruals and deferred income	14,633	14,621
Group relief payable	40,934	31,236
Overseas taxation	72	211
Taxation and social security	3,188	4,893
Amounts payable under finance leases	95	149
	67,225	59,198

Notes (continued)

14 Creditors amounts falling due after more than one year

	2009 £'000	2008 £'000
Amounts payable under finance leases	123	111

15 Financial instruments

The main risks arising from the Company's financial instruments are liquidity risk, credit risk and foreign exchange risk

Liquidity risk

Cash resources are largely and normally generated through operations. The Company's policy is to maintain a balance of funds sufficient to meet anticipated short term and long term financial requirements.

Credit risk

Management has a credit policy in place whereby risk is managed through an ongoing review of exposure to credit risk.

Foreign exchange risk

The Company is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than sterling. The currencies giving rise to this risk are primarily HK Dollars, US Dollars, New Taiwan Dollars and Euros.

The Company's policy is to cover significant foreign currency commitments in respect of HK Dollar and US Dollar trade payables by using a mixture of forward foreign currency contracts and options.

Effective interest rates and maturity of liabilities

	Fixed or variable rate	Effective Interest rate %	Total £'000	1 year or less £'000	1 – 2 years £'000	2 – 5 years £'000	More than 5 years £'000
Cash and cash equivalents	Variable	0.5	35,661	35,661	-	-	-
Finance lease liabilities	Fixed	6.0	(218)	(95)	(68)	(55)	-
			<u>35,443</u>	<u>35,566</u>	<u>(68)</u>	<u>(55)</u>	<u>-</u>

Notes (continued)

16 Provisions for liabilities and charges

	£'000
At beginning of period	1,329
Charge in the period	19
Utilised in the period	(58)
At end of period	<u>1,290</u>

The provisions relate to a dilapidation provision and an onerous lease provision

The Company has an unrecognised deferred tax asset of £10,000 (2008 £676,000) This has not been recognised on the basis that its recoverability is uncertain

17 Commitments

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

	2009 £'000	2008 £'000
Contracted	<u>189</u>	<u>46</u>

- (b) As at the period end the Company has annual commitments under non-cancellable operating leases as set out below

	Other		Land and buildings	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Operating leases which expire				
Within one year	44	2	67	298
In two to five years	83	134	1,781	2,062
In over five years	-	4	14,602	13,663
	<u>127</u>	<u>140</u>	<u>16,450</u>	<u>16,023</u>

Notes (continued)

18 Related party guarantees

The ultimate parent undertaking, Maplin Electronics Group (Holdings) Limited, has loans outstanding at the year end which are secured on the assets of the group. At 26 December 2009, these loans amounted to £88m (2008 £101m)

19 Share capital

	2009 £'000	2008 £'000
Authorised		
Ordinary shares of £1 each	74	74
Redeemable ordinary shares of £1 each	350	350
	<u>424</u>	<u>424</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	70	70
Redeemable ordinary shares of £1 each	350	350
	<u>420</u>	<u>420</u>

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

20 Share premium and reserves

	Share premium £'000	Profit and loss account £'000
At beginning of period	429	74,640
Profit for the financial period	-	25,680
At end of period	<u>429</u>	<u>100,320</u>

21 Pension scheme

Maplin Electronics Limited, a wholly owned subsidiary of Maplin Electronics Group (Holdings) Limited, is the sponsoring employer of The Maplin Electronics Group Personal Pension Scheme, a defined contribution money purchase scheme. Of the pension cost charge for the period £160,000 (2008 £192,000), represents contributions payable by the group into the defined contribution scheme.

The Taiwan branch of Maplin Electronics Limited is the sponsoring employer of a defined benefit pension scheme which currently has a fund deficit of £8,000. The charge for the period represents contributions payable by the Group to the fund that amounted to £170,000 (2008 £19,000) and included a one off top up contribution to eliminate the fund deficit that existed at the end of 2008.

Notes *(continued)*

22 Ultimate parent company and parent undertaking of larger group of which the company is a member

The ultimate controlling party is Montagu Private Equity LLP as a result of the size of their shareholding in Maplin Electronics Group (Holdings) Limited

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

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