Maplin Electronics Limited

Directors' report and financial statements

Registered number 1264385

1 January 2011

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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
E M Smith
L A Saunders
S J Roach

Bankers

Bank of Scotland
The Mound
Edinburgh
EH1 1YZ

Auditors

KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW

Registered office

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

Directors' report

The directors present their annual report and the audited financial statements for the 53 week period ended 1 January 2011 Note this period is one week longer than the period covered by the prior year financial statements

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 customer service, delivering better customer solutions and in so doing growing the average transaction value Average transaction value grew on a like for like basis in stores by 2 9% and by 2 6% across the company as a whole In addition the company continued to drive operational efficiencies via strong cost control The result of this focus and the continued strategy to expand the store network has been to deliver operating profit of £35 5m *(2009 £35 1m)*

Trading performance was reasonable in the context of a very difficult retail environment, with total sales increasing to £213 1m (*2009 £203 7m)* In addition to the 53rd week that contributed £5 2m of sales, new store openings more than compensated for the like for like decline in the existing store network and internet / mail order channels

The store network delivered total sales 6% ahead of the prior year *(2009 1 1% ahead)*, however as a result of the decline in the footfall on the high street like for like sales in the stores were 3 5% behind *(2009 5% behind)* The expansion of the store network continued with the successful opening of 14 (*2009 12*) new stores The store opening programme is set to continue in 2011 with the planned opening of a further 15 new stores

The business continued to implement a strategy of ongoing improvement to the interactive internet site (www maplin co uk), despite this sales fell by 3 8% *(2009 7 9% behind)* in the face of lower consumer confidence and tough competition The internet channel is very mature having been transactional for over ten years, but is highly leveraged and a very profitable channel for the business Work will continue to develop the site and the ecommerce offer

The mail order business finished the period with sales 23 6% behind (*2009 11 6% behind)* The number of mail order transactions continued to decline, as a result of the increasing area covered by the expanding store network and the gradual shift in the way people choose to shop, in addition to the generally more difficult consumer environment

The biggest risk to the business in the foreseeable future remains a continued downturn in consumer spending which would impact on the planned sales growth However the company is extremely well positioned to withstand a continued downturn owing to its high return on sales and excellent cash generation, which enables it to continue investing in the business and growing the store network 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 £46 4m *(2009 £35 7m)* 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 in excess of that scheduled

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

Dividends

No dividends are proposed *(2009 £nil)*

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 At the year end there were 28 days *(2009 16 days)* purchases in trade creditors

Directors' report *(contınued)*

Overseas branches

The Company contınued durıng the perıod to source products through ıts overseas branch ın Taıwan and through Maplın Electronıcs (HK) Lımıted, ıts subsıdıary ın Hong Kong and Chına

Key performance indicators

The Company has a number of key performance ındıcators, both financıal and non-financıal, that are used to manage the busıness

	1 January 2011	26 December 2009
Debtor days	**30**	33
Stock days	**115**	115
Core Stock Avaılabılıty	**93.7%**	92%
EBITDA	**18.6%**	19 4%

Directors and directors' interests

The dırectors who served durıng the perıod were as follows

K Pacey	
D I Whıttle	
D O'Reılly	
S C Lynas	
S B Mılner	
C Webb	
J R Codlıng	
C M Masterson	
M C Lın	
P E Heath	(appoınted 24th January 2010)
E M Smıth	(appoınted 8th July 2010)
L A Saunders	(appoınted 8th July 2010)
S J Roach	(appoınted 2nd August 2010)

The Company ıs a wholly owned subsıdıary of Maplın Electronıcs (Holdıngs) Lımıted whose parent Company ıs Maplın Electronıcs Group (Holdıngs) Ltd

Employees

It ıs the board's polıcy to pursue open communıcatıon wıth employees and, to thıs end, regular meetıngs are held wıth management to convey ınformatıon about the busıness

The Company gıves full and faır consıderatıon to applıcatıons for employment made by dısabled persons, havıng regard to theır partıcular aptıtudes and abılıtıes Systems are ın place to prevent dıscrımınatıon Where exıstıng employees become dısabled, ıt ıs the Company's polıcy, wherever practıcable, to provıde contınuıng employment under normal terms and condıtıons and to provıde traınıng and career development opportunıtıes where approprıate

Polıtıcal and charıtable contrıbutions

The Company made charıtable donatıons of £5,100 *(2009 £16,100)* and no polıtıcal donatıons *(2009 £nıl)* durıng the perıod Charıtable support was gıven locally to The Barnsley Hospıce

Dısclosure of ınformatıon to auditors

The dırectors who held office at the date of approval of thıs dırectors' report confirm that, so far as they are each aware, there ıs no relevant audıt ınformatıon of whıch the Company's audıtors are unaware, and each dırector has taken all the steps that he ought to have taken as a dırector to make hımself aware of any relevant audıt ınformatıon and to establısh that the Company's audıtors are aware of that ınformatıon

Directors' report *(continued)*

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

Keith Pacey

K Pacey
Director

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

21 March 2011

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

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure 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 auditor's report to the members of Maplin Electronics Limited

We have audited the financial statements of Maplin Electronics Limited for the 53 week period ended 1 January 2011 set out on pages 8 to 23 The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 (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 website at www frc org uk/apb/scope/private cfm

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 1 January 2011 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

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

DJ Hutchinson (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

21 March 2011

Profit and Loss Account
for the 53 week period ended 1 January 2011

	Note	53 week period ended 1 January 2011 £000	52 week period ended 26 December 2009 £000
Turnover	2	**213,123**	203,687
Cost of sales		**(101,348)**	(95,743)
Gross profit		**111,775**	107,944
Distribution costs		**(29,161)**	(26,617)
Administrative expenses		**(47,715)**	(46,619)
Other operating income		**561**	429
Operating profit	3	**35,460**	35,137
Other interest receivable and similar income	6	**266**	357
Interest payable	7	**(17)**	(26)
Profit on ordinary activities before taxation		**35,709**	35,468
Tax on profit on ordinary activities	8	**(10,441)**	(9,788)
Profit for the financial period	20	**25,268**	25,680

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 1 January 2011

	Note	1 January 2011 £'000	1 January 2011 £'000	26 December 2009 £'000	26 December 2009 £'000
Fixed assets					
Tangible assets	*9*		**27,313**		27,837
Investments	*10*		**17**		17
			27,330		27,854
Current assets					
Stock	*11*	**31,080**		27,771	
Debtors	*12*	**102,497**		78,521	
Cash at bank and in hand		**46,372**		35,661	
		179,949		141,953	
Creditors: amounts falling due within one year	*13*	**(79,266)**		(67,225)	
Net current assets			**100,683**		74,728
Total assets less current liabilities			**128,013**		102,582
Creditors: amounts falling due after more than one year	*14*		**(131)**		(123)
Provisions for liabilities and charges	*16*		**(1,445)**		(1,290)
Net assets			**126,437**		101,169
Capital and reserves					
Called up share capital	*19*		**420**		420
Share premium	*20*		**429**		429
Profit and loss account	*20*		**125,588**		100,320
Equity shareholders' funds			**126,437**		101,169

These financial statements were approved by the board of directors on 21 March 2011 and were signed on its behalf by

K Pacey
Director

Keith Pacey

D I Whittle
Director

DWhittle

Reconciliation of Movements in Shareholders' Funds
for the 53 week period ended 1 January 2011

	53 week period ended 1 January 2011 £'000	52 week period ended 26 December 2009 £'000
Profit for the financial period	**25,268**	25,680
Addition to shareholders' funds	**25,268**	25,680
Opening shareholders' funds	**101,169**	75,489
Closing shareholders' funds	**126,437**	101,169

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-Dearne, 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 *(contınued)*

1 Accounting polıcıes (contınued)

Long term incentive plans

The Company operates long term ıncentıve plans for certaın key executıves under whıch amounts are receıvable upon the sale of the Maplın Electronıcs Group (Holdıngs) Lımıted ("MEGH") Company These plans are not lınked to the underlyıng value upon sale, and are therefore treated ın accordance wıth the provısıons of FRS 12 *Provısıons, Contıngent Lıabılıtıes and Contıngent Assets*

Turnover

Turnover represents the amounts (excludıng value added tax) derıved from the provısıon of goods and servıces to thırd party customers less dıscounts and any provısıons for returns Sales are recognısed on despatch

2 Turnover

	Total turnover	
	53 week perıod ended 1 January 2011 £'000	52 week perıod ended 26 December 2009 £'000
By actıvıty		
Dırect busıness	**21,266**	22,691
Stores	**191,857**	180,996
	213,123	203,687
By destınatıon		
Unıted Kıngdom	**203,873**	193,186
Other	**9,250**	10,501
	213,123	203,687
By orıgın		
Unıted Kıngdom	**203,791**	193,285
Other	**9,332**	10,402
	213,123	203,687

Notes *(continued)*

3 Operating profit

	53 week period ended 1 January 2011 £'000	52 week period ended 26 December 2009 £'000
Profit on ordinary activities is stated after charging/ (crediting)		
Depreciation of owned assets	**4,126**	4,141
Depreciation of asset held under finance leases	**74**	129
(Profit) / Loss on disposal of fixed assets	**(11)**	24
Operating lease costs – land and buildings	**17,549**	16,094
Operating lease costs - other	**178**	177
Hire of plant and machinery	**58**	34
Losses / (Gains) on foreign exchange	**104**	(1,056)

Auditors' remuneration

	53 week period ended 1 January 2011 £000	52 week period ended 26 December 2009 £000
Amounts receivable by the auditors and their associates in respect of		
Audit of these financial statements	**64**	66
Other services relating to taxation	**26**	30

4 Remuneration of Directors

	53 week period ended 1 January 2011 £'000	52 week period ended 26 December 2009 £'000
Emoluments	**1,059**	1,267
Company contributions paid or accrued to money purchase pension schemes	**66**	59
Company contributions to defined benefit pension schemes	**6**	4

Retirement benefits are accruing to the following number of directors as follows

	53 week period ended 1 January 2011	52 week period ended 26 December 2009
Members of money purchase pension schemes	**8**	5
Defined benefit schemes	**1**	1
	£'000	£'000
The amounts in respect of the highest paid director are as follows		
Emoluments	**231**	289

Company pension contributions of £Nil *(2009 £Nil)* 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 for the period ended 1 January 2011 in respect of this plan is £nil as a trigger event relating to the potential sale of the business has not taken place either during the period, nor since the end of the period

5 Staff numbers and costs

The aggregate payroll costs were as follows

	53 week period ended 1 January 2011 £'000	52 week period ended 26 December 2009 £'000
Wages and salaries	**28,696**	27,812
Social security costs	**2,228**	2,180
Other pension costs	**198**	330
	31,122	30,322

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

	Number of full time equivalents	
	53 week period ended 1 January 2011	52 week period ended 26 December 2009
UK & Ireland	**1,703**	1,658
Taiwan	**11**	12
	1,714	1,670

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

	Number of employees	
	53 week period ended 1 January 2011	52 week period ended 26 December 2009
UK & Ireland	**2,144**	2,057
Taiwan	**11**	12
	2,155	2,069

Notes *(continued)*

6 Interest receivable

	53 week period ended 1 January 2011 £'000	52 week period ended 26 December 2009 £'000
Bank interest receivable from Group banking arrangements	**266**	357

7 Interest payable

	53 week period ended 1 January 2011 £'000	52 week period ended 26 December 2009 £'000
Bank overdraft	**1**	6
Interest on finance leases / other interest paid	**16**	20
	17	26

8 Taxation

	53 week period ended 1 January 2011		52 week period ended 26 December 2009	
Analysis of charge in period	**£'000**	**£'000**	£'000	£'000
UK corporation tax				
Current tax on income for the period	**9,476**		9,558	
Adjustments in respect of prior periods	**446**		82	
		9,922		9,640
Foreign tax				
Current tax on income for the period	**328**		351	
Adjustments in respect of prior periods	**(27)**		(203)	
		301		148
Total current tax		**10,223**		9,788
Deferred tax				
Origination / reversal of timing differences	**226**		-	
Effect of increased / decreased tax rate	**(8)**		-	
		218		-
Tax on profit on ordinary activities		**10,441**		9,788

Notes *(continued)*

8 Taxation *(continued)*

Factors affecting the tax charge for the current period

The current tax charge for the period is higher *(2009 lower)* than the standard rate of corporation tax in the UK of 28% *(2009 28%)* The differences are explained below

	53 week period ended 1 January 2011 £'000	52 week period ended 26 December 2009 £'000
Current tax reconciliation		
Profit on ordinary activities before tax	**35,709**	35,468
Current tax at 28% *(2009 28%)*	**9,999**	9,931
Effects of		
Expenses not deductible for tax purposes (primarily non qualifying depreciation)	**474**	473
Fixed asset timing differences	**(537)**	(594)
Short term timing differences	**(120)**	99
Overseas tax not at standard rate	**(12)**	-
Adjustments to tax charge in respect of previous periods	**419**	(121)
Total current tax charge (see above)	**10,223**	9,788

Factors affecting the tax charge for the future periods

The Emergency Budget on 22 June 2010 announced that the UK corporation tax rate will reduce from 28% to 24% over a period of 4 years from 2011 The first reduction in the UK corporation tax rate from 28% to 27% was substantively enacted on 20th July 2010 and will be effective from 1 April 2011 The announced reduction will reduce the company's future current tax charge, although not by a significant amount

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	29,762	14,817	6,349	52,776
Additions	-	2,467	950	289	3,706
Overseas assets retranslation	-	-	5	5	10
Disposals	-	(17)	(15)	(119)	(151)
At end of period	1,848	32,212	15,757	6,524	56,341
Depreciation					
At beginning of period	681	11,222	7,696	5,340	24,939
Charge for the period	35	2,414	1,129	622	4,200
Overseas assets retranslation	-	-	4	1	5
Disposals	-	(17)	(11)	(88)	(116)
At end of period	716	13,619	8,818	5,875	29,028
Net book value					
At 1 January 2011	**1,132**	**18,593**	**6,939**	**649**	**27,313**
At 26 December 2009	1,167	18,540	7,121	1,009	27,837

The net book amount of fixed assets at 1 January 2011 includes an amount of £216,107 *(2009 £268,085)* in respect of assets held under finance leases The related depreciation charge for the period was £122,738 *(2009 £128,649)*

Leasehold property includes a long lease with a net book value at 1 January 2011 of £132,417 *(2009 £135,495)*

Included in leasehold property, furniture and fittings and computer equipment is £451,991, £137,186 and £12,029 respectively *(2009 Leasehold property £799,057, Furniture and fittings £172,241 and Computer equipment £106,414)* for additions relating to assets not yet in use against which no depreciation has been charged

Included in freehold land and buildings is freehold land with a net book value of £90,000 *(2009 £90,000)*, which is not depreciated

Notes *(continued)*

10 Investments

	Investment in subsidiaries £'000
At 1 January 2011 and 26 December 2009	17

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

11 Stock

	1 January 2011 £'000	26 December 2009 £'000
Finished goods and goods held for resale	**31,080**	27,771

12 Debtors

	1 January 2011 £'000	26 December 2009 £'000
Trade debtors	**556**	878
Amounts due from group undertakings	**95,166**	71,223
Corporation tax recoverable	**206**	60
Other debtors	**57**	84
Prepayments and accrued income	**6,512**	6,276
	102,497	78,521

13 Creditors: amounts falling due within one year

	1 January 2011 £'000	26 December 2009 £'000
Payments on account	**338**	383
Trade creditors	**10,699**	7,920
Accruals and deferred income	**13,351**	14,633
Group relief payable	**50,462**	40,934
Overseas taxation	**20**	72
Taxation and social security	**4,306**	3,188
Amounts payable under finance leases	**90**	95
	79,266	67,225

Notes *(continued)*

14 Creditors: amounts falling due after more than one year

	1 January 2011 £'000	26 December 2009 £'000
Amounts payable under finance leases	131	123

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
Cash and cash equivalents	Variable	0 5	46,372	46,372	-	-
Finance lease liabilities	Fixed	5 4	(221)	(90)	(69)	(62)
			46,151	46,282	(69)	(62)

Notes *(continued)*

16 Provisions for liabilities and charges

	Property provisions	Taxation including deferred taxation	Total
	£'000	£'000	£'000
At beginning of period	1,290	-	1,290
Charge in the period	263	218	481
Utilised in the period	(326)	-	(326)
At end of period	**1,227**	**218**	**1,445**

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

The elements of deferred taxation are as follows

	1 January 2011 £'000	26 December 2009 £'000
Difference between accumulated depreciation and amortisation and capital allowances	**306**	-
Other timing differences	**(88)**	-
Undiscounted provision	**218**	-
Deferred tax asset	**(88)**	-
Deferred tax liability	**306**	-
	218	-

The Company has an unrecognised deferred tax asset of £nil (*2009 £10,000*)

17 Commitments

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

	1 January 2011 £'000	26 December 2009 £'000
Contracted	**190**	189

Notes *(continued)*

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

	Other		Land and buildings	
	1 January 2011 £'000	26 December 2009 £'000	**1 January 2011 £'000**	26 December 2009 £'000
Operating leases which expire				
Within one year	**-**	44	**490**	67
In two to five years	**115**	83	**2,197**	1,781
In over five years	**-**	-	**15,502**	14,602
	115	127	**18,189**	16,450

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 1 January 2011, these loans amounted to £69m *(2009 £88m)*

19 Share capital

	1 January 2011		26 December 2009	
	No	**£'000**	No	£'000
Allotted, called up and fully paid				
Ordinary shares of £1 each	**70,000**	**70**	70,000	70
Redeemable ordinary shares of £1 each	**350,000**	**350**	350,000	350
	420,000	**420**	420,000	420

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	100,320
Profit for the financial period	-	25,268
At end of period	**429**	**125,588**

Notes *(continued)*

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 £173,000 *(2009 £160,000)*, 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 £19,000, for which provision has been made within Accruals and deferred income The charge for the period represents contributions payable by the Group to the fund , as well as a provision towards the estimated deficit of the scheme, which together amounted to a charge of £24,000 *(2009 £170,000)* The prior year figure included a one off top up contribution to eliminate the fund deficit that existed at the date of the last actuarial valuation (31 December 2008)

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