

REGISTERED NUMBER: 02948564 (England and Wales)

Financial Statements
for the Year Ended 30 September 2017
for
Leipold (UK) Limited

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for the Year Ended 30 September 2017**

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Leipold (UK) Limited
Company Information
for the Year Ended 30 September 2017

DIRECTORS: T Fees
P Schiefer

SECRETARY: S J Holder

REGISTERED OFFICE: Holder Blackthorn LLP
Blackthorn House
St Pauls Square
Birmingham
B3 1RL

REGISTERED NUMBER: 02948564 (England and Wales)

AUDITORS: Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Balance Sheet
30 September 2017

	Notes	30.9.17 £	30.9.16 £
ASSETS			
CURRENT ASSETS			
Debtors	3	5,008	86,732
Cash at bank		58,718	3,578
		<u>63,726</u>	<u>90,310</u>
CAPITAL, RESERVES AND LIABILITIES			
CAPITAL AND RESERVES			
Called up share capital	4	1,120,002	1,120,002
Retained earnings		<u>(1,674,579)</u>	<u>(2,494,328)</u>
SHAREHOLDERS' FUNDS		(554,577)	(1,374,326)
CREDITORS			
	5	618,303	1,464,636
		<u>63,726</u>	<u>90,310</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 28 November 2017 and were signed on its behalf by:

T Fees - Director

P Schiefer - Director

**Notes to the Financial Statements
for the Year Ended 30 September 2017**

1. STATUTORY INFORMATION

Leipold (UK) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements for the year ended 30 September 2017 are the first financial statements that comply with FRS 102 1A "Small Companies". The date of transition is 1 October 2015.

The transition to FRS 102 Section 1A "Small Companies" has not resulted in any changes in accounting policies to those used previously.

Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Notes to the Financial Statements - continued
for the Year Ended 30 September 2017

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Going concern

There has been a significant reduction in sales, with a loss of existing customers within the electronics industry over the last few years. The directors are actively recruiting for a UK sales force with a view to concentrating the business on supplying its products to manufacturers and end users within the automotive industry.

The decline in sales has significantly affected the operating cash flow of the company. The largest supplier to the company is from its fellow group companies and as a result the company has not been able to settle their credit in the normal terms.

As a result the company is increasingly reliant on the support of its parent and fellow group companies. This support is required in the form of the continuation of supply of goods and the extension of favourable credit terms for their supply.

The company made a net profit of £819,749, however this was after the exceptional item of £846,360 noted below. Without this exceptional item the net result would have been a loss of £26,611. Of the company's liabilities as at 30 September 2017, £592,976 are due to group companies.

The directors have obtained letters from the parent company and its fellow group companies, pledging to provide sufficient trading terms to the company, in order that it can meet its day to day working capital requirements for a period of at least twelve months from the date of these financial statements.

The directors have concluded that material uncertainties exists that cast significant doubt upon the company's ability to continue as a going concern and that, therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business. However, given the continuing efforts to secure sales and with the support of its parent and fellow group companies, the directors continue to adopt the going concern basis of accounting.

3. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.17	30.9.16
	£	£
Trade debtors	3,722	86,216
VAT	770	-
Prepayments and accrued income	516	516
	<u>5,008</u>	<u>86,732</u>

4. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.9.17	30.9.16
			£	£
1,120,002	Ordinary Shares	1	<u>1,120,002</u>	<u>1,120,002</u>

Notes to the Financial Statements - continued
for the Year Ended 30 September 2017

5. CREDITORS

	30.9.17 £	30.9.16 £
Amounts falling due within one year:		
Bank loans and overdrafts	-	45,035
Trade creditors	6,676	5,348
Amounts owed to group undertakings	592,976	540,226
VAT	-	8,537
Other creditors	12,027	12,027
Accruals and deferred income	6,624	7,103
	<u>618,303</u>	<u>618,276</u>
Amounts falling due after more than one year:		
Amounts owed to group undertakings	-	846,360
Aggregate amounts	<u>618,303</u>	<u>1,464,636</u>

6. SECURED DEBTS

The following secured debts are included within creditors:

	30.9.17 £	30.9.16 £
Bank overdraft	-	45,035

The following security has been given on the bank overdraft: An unlimited debenture dated 9th October 1996. A special deed of subordination dated 9th December 1996, and deed of subordination dated 8th March 2001.

7. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 1 in the financial statements which indicates that the company incurred a net operating loss of £26,611 during the year ended 30 September 2017 and, as of that date, the company's current liabilities exceeded its total assets by £554,577. These conditions, along with other matters as set forth in note 2, indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

Katrina L Williams (Senior Statutory Auditor)
for and on behalf of Locke Williams Associates LLP

8. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

9. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Carl Leipold Verwaltungs.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.