

Registration number: 02308025

# Leica Camera Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2020

Rödl & Partner Limited  
170 Edmund Street  
Birmingham  
B3 2HB

MONDAY



\*AA1A4PTU\*

A06

29/03/2021

#49

COMPANIES HOUSE

# **Leica Camera Limited**

## **Contents**

Company Information	1
Strategic Report	2 to 3
Directors' Report	4 to 5
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7 to 9
Profit and Loss Account	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 21

## **Leica Camera Limited**

### **Company Information**

<b>Directors</b>	M K J Harsch J Heward K E Doyran
<b>Company secretary</b>	T Devyaterikova
<b>Registered office</b>	6-8 James Street London W1U 1ED
<b>Bankers</b>	HSBC Bank Plc 19 Midsummer Place Milton Keynes MK9 3GB
<b>Auditors</b>	Rödl & Partner Limited 170 Edmund Street Birmingham B3 2HB

## Leica Camera Limited

### Strategic Report for the Year Ended 31 March 2020

The directors present their strategic report for the year ended 31 March 2020.

#### Fair review of the business

The company's principal activity remains the sale of cameras, camera lenses, nature observation equipment (binoculars and telescopes) and deer stalking optics (rangefinders and rifle scopes). The company acts as the United Kingdom and Ireland distributor for Leica Camera AG of Germany, manufactures and the aforementioned products. The company's key financial and other performance indicators were as follows:

The company's key financial and other performance indicators during the year were as follows:

	2020	2019
Turnover	16,298,742	14,124,466
Gross profit	5,123,111	3,486,026
Profit/(loss) after tax	(137,705)	(241,201)
Average number of employees	33	27

Overall turnover increased by 15.4% to £16,298,742 from £14,124,466 and loss after tax decreased to -£137,705 from a loss of -£241,201. Net assets decreased by £137,705 to £3,656,138.

#### Principal risks and uncertainties

##### Competitive risks

The company operates in a competitive market but the directors feel there is continued minimal risk to the business.

The application of the Leica AG Business Systems approach ensures that the company is able to respond quickly to changes in levels of activity or competitive pressures and in this, the company has significant advantages over competitors.

##### Financial risks

The business is in a strong financial position and is able to meet debts as they become due. The current economic difficulties continue to be challenging but the directors are confident that as a result of the strong balance sheet and actions taken the business can withstand these pressures. Whilst the business is involved in many geographical areas, there are processes in place to ensure that the company is exposed to undue currency risks.

##### Exposure to credit, liquidity and cash flow risks

The company has credit insurance for eliminating the exposure risks.


The company's credit risk is primarily attributed to its trade debtors. Credit risk is managed by running credit checks on new customers and by the regular monitoring of accounts against agreed credit terms and limits. The trade debtor spread continues to be healthy, ensuring reduced risk of a too dominant trade debtor failure.

Liquidity risk is minimised as the company is a wholly owned subsidiary and funding is guaranteed by Group support. Also the company monitors cash flow as part of its day to day control procedures. The management team considers cash flow projections on a monthly basis and prepare rolling yearly forecasts, on a quarterly basis to ensure that appropriate facilities are available to be drawn upon as necessary.

**Leica Camera Limited**

**Strategic Report for the Year Ended 31 March 2020**

Approved by the Board on **17-Mar-21** and signed on its behalf by:

  
.....  
J Heward  
Director

## **Leica Camera Limited**

### **Directors' Report for the Year Ended 31 March 2020**

The directors present their report and the financial statements for the year ended 31 March 2020.

#### **Directors' of the company**

The directors, who held office during the year, were as follows:

M K J Harsch

J Heward

R M Peters (Resigned 15 July 2019)

K E Doyran (appointed 24 July 2019)

#### **Results and dividends**

The loss for the year after taxation is -£137,705 (2019: Loss after taxation of -£241,201). The directors have not recommended a dividend (2019: nil).

#### **Employment of disabled persons**

We encourage applications from a diverse and rich pool of candidates to ensure our workforce is representative of our customer base. We will make reasonable adjustments to ensure any new, or existing employee is able to contribute fully and realise their potential. We carefully follow the advice and guidance to ensure we are an equal opportunity employer.

#### **Employee involvement**

The company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the company.

#### **Creditor payment policy**

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

#### **Going concern**

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposure to competitive, credit, liquidity and cash flow risks are described in the Business Review and Risks and Uncertainties on pages 2.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future based on the operations of the company and the commitment of financial support received from parent entity. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

## Leica Camera Limited

### Directors' Report for the Year Ended 31 March 2020

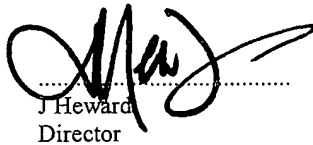
#### Third party indemnities

Company has provided to all directors limited indemnities in respect of the cost of defending claims against them and third party liabilities. These are all third party indemnity provisions for the purpose of the Companies Act 2006 and are all currently in force.

#### Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 17 Mar 21 and signed on its behalf by:

  
.....  
J Heward  
Director

## **Leica Camera Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **Leica Camera Limited**

### **Independent Auditor's Report to the Members of Leica Camera Limited**

#### **Opinion**

We have audited the financial statements of Leica Camera Limited (the 'company') for the year ended 31 March 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Leica Camera Limited**

### **Independent Auditor's Report to the Members of Leica Camera Limited**

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## Leica Camera Limited

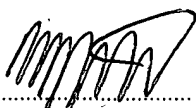
### Independent Auditor's Report to the Members of Leica Camera Limited

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

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.



Imran Farooq (Senior Statutory Auditor)  
For and on behalf of Rödl & Partner Limited, Statutory Auditor

170 Edmund Street  
Birmingham  
B3 2HB

Date: 17<sup>th</sup> March 2021

# **Leica Camera Limited**

## **Profit and Loss Account for the Year Ended 31 March 2020**

	Note	2020 £	2019 £
Turnover	3	16,298,742	14,124,466
Cost of sales		<u>(11,175,631)</u>	<u>(10,638,440)</u>
Gross profit		5,123,111	3,486,026
Administrative expenses		<u>(4,934,361)</u>	<u>(3,894,509)</u>
Operating profit/(loss)	4	188,750	(408,483)
Interest receivable and similar income		-	40
Interest payable and similar charges	5	<u>(87,419)</u>	<u>-</u>
Profit/(loss) before tax		101,331	(408,443)
Tax on profit/(loss) on ordinary activities	8	<u>(239,036)</u>	<u>167,242</u>
Loss for the year		<u><u>(137,705)</u></u>	<u><u>(241,201)</u></u>

The above results were derived from continuing operations.

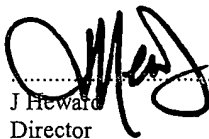
The company has no recognised gains or losses for the year other than the results above.

**Leica Camera Limited**

**(Registration number: 02308025)**  
**Balance Sheet as at 31 March 2020**

	Note	31 March 2020 £	31 March 2019 £
<b>Fixed assets</b>			
Tangible assets	9	5,124,952	970,960
<b>Current assets</b>			
Stocks	10	1,960,662	2,346,177
Debtors	11	2,606,552	1,890,171
Cash at bank and in hand	12	1,251,172	1,185,031
		5,818,386	5,421,379
<b>Creditors: Amounts falling due within one year</b>	17	(5,164,516)	(2,471,385)
<b>Net current assets</b>		653,870	2,949,994
<b>Total assets less current liabilities</b>		5,778,822	3,920,954
<b>Creditors: Amounts falling due after more than one year</b>		(2,122,684)	-
<b>Provisions for liabilities</b>	16	-	(127,111)
<b>Net assets</b>		3,656,138	3,793,843
<b>Capital and reserves</b>			
Called up share capital	13	2	2
Other reserves		808,881	808,881
Profit and loss account		2,847,255	2,984,960
<b>Shareholders' funds</b>		3,656,138	3,793,843

Approved by the Board on 17 MAR 21 and signed on its behalf by:

  
 J Heward  
 Director

**Leica Camera Limited**

**Statement of Changes in Equity for the Year Ended 31 March 2020**

	Share capital £	Other reserves £	Retained earnings £	Total £
At 1 April 2019	2	808,881	2,984,960	3,793,843
Loss for the year	-	-	(137,705)	(137,705)
Total comprehensive income	-	-	(137,705)	(137,705)
At 31 March 2020	2	808,881	2,847,255	3,656,138
	Share capital £	Other reserves £	Retained earnings £	Total £
At 1 April 2018	2	808,881	3,226,161	4,035,044
Loss for the year	-	-	(241,201)	(241,201)
Total comprehensive income	-	-	(241,201)	(241,201)
At 31 March 2019	2	808,881	2,984,960	3,793,843

The notes on pages 13 to 21 form an integral part of these financial statements.

## **Leica Camera Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

#### **1 General information**

The company is a private company limited by share capital, incorporated and domiciled in England.

The address of its registered office is:

6-8 James Street

London

W1U 1ED

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. The presentation currency of these financial statements is Sterling. All amounts have been rounded to the nearest £1.

##### **Summary of disclosure exemptions**

The company is controlled by ACM Projectentwicklung, a company incorporated in Austria. The Company is considered to be a qualifying entity (for the purposes of this IFRS) and has taken advantage of the exemption available under IAS 24 in respect of the following disclosures:

- Related Party Disclosures with other members of that group.

##### **Going concern**

The directors have considered the future prospects and forecasts for the business as well as the current economic environment and the commitment of support provided by the parent entity. They consider there is a reasonable expectation the company has adequate resources to continue operating for the foreseeable future. Thus they continue to adopt the going concern basis of preparation.

##### **Judgements and key sources of estimation uncertainty**

The directors have reviewed all the assets and liabilities at the Balance Sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from these estimates.

In the opinion of the directors, there are no key judgements or sources of estimation uncertainty which could materially impact the financial statements.

## **Leica Camera Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

#### **Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company activities.

#### **Foreign currency transactions and balances**

Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the statement of financial position 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.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Tangible assets**

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold land and buildings	over the term of the lease
Fixtures and fittings	3 to 15 years
Office equipment	3 to 5 years

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.



## **Leica Camera Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2020**

#### **Trade receivables**

Trade Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as Fixed assets.

Trade Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade Trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the Trade debtors.

#### **Stocks**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade payables**

Trade Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Provisions**

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

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

## Leica Camera Limited

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans contributions are paid publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

#### Warranties

The cost of providing for warranties is charged to the profit and loss account as incurred.

#### Financial instruments

The company enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. The forward currency exchange contracts are measured at fair value at each reporting date. The movement in fair value is recognised in the profit and loss for the period.

### 3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2020 £	2019 £
United Kingdom	16,087,870	13,911,752
Europe	84,244	169,231
Other revenue	126,628	43,483
	<u>16,298,742</u>	<u>14,124,466</u>

Turnover is wholly attributable to the principal activity of the company.

### 4 Operating profit

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	863,495	151,246
Foreign exchange differences	6,298	17,763
Operating lease expense - hire of other assets	-	585,557
Operating lease expense - plant and machinery	10,374	12,898
Auditor's remuneration - The audit of the company's annual accounts	<u>11,300</u>	<u>11,000</u>

### 5 Interest payable and similar expenses

	2020 £	2019 £
Interest expense on other financing liabilities	<u>87,419</u>	<u>-</u>

# **Leica Camera Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2020**

### **6 Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	2020	2019
	£	£
Wages and salaries	1,571,425	1,126,716
Social security costs	196,328	115,833
Pension costs, defined contribution scheme	70,477	38,386
	<u>1,838,230</u>	<u>1,280,935</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2020	2019
	No.	No.
General and administration	3	5
Technical services	3	2
Marketing and selling	27	20
	<u>33</u>	<u>27</u>

### **7 Directors' remuneration**

The directors' remuneration for the year was as follows:

	2020	2019
	£	£
Remuneration	111,847	123,689
Contributions paid to money purchase schemes	5,422	5,422
	<u>117,269</u>	<u>129,111</u>

## Leica Camera Limited

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 8 Income tax

Tax charged/(credited) in the profit and loss account

	2020 £	2019 £
<b>Current taxation</b>		
UK corporation tax	161,352	(180,655)
UK corporation tax adjustment to prior periods	<u>(13,694)</u>	<u>-</u>
	147,658	(180,655)
<b>Deferred taxation</b>		
Arising from origination and reversal of temporary differences	<u>91,378</u>	<u>13,413</u>
Tax expense/(receipt) in the profit and loss account	<u><u>239,036</u></u>	<u><u>(167,242)</u></u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Profit/(loss) before tax	<u>101,331</u>	<u>(408,443)</u>
Corporation tax at standard rate	19,253	(77,604)
Decrease in current tax from adjustment for prior periods	-	(164,473)
Increase from effect of capital allowances depreciation	32,196	16,794
Increase from effect of expenses not deductible in determining taxable profit/(tax loss)	9,962	12,326
Tax decrease from utilisation of tax losses	(13,694)	64,196
Decrease in current tax from unrecognised temporary difference from a prior period	(5,075)	(16,827)
Deferred tax expense/(credit) relating to changes in tax rates or laws	4,539	(1,654)
Decrease from effect of IFRS adjustments	<u>191,855</u>	<u>-</u>
Total tax charge/(credit)	<u><u>239,036</u></u>	<u><u>(167,242)</u></u>

# Leica Camera Limited

## Notes to the Financial Statements for the Year Ended 31 March 2020

### 9 Tangible assets

	Leasehold land and buildings £	Fixtures and fittings £	Office Equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2019	1,503,869	356,887	289,812	2,150,568
Additions	4,887,304	84,245	62,032	5,033,581
Disposals	-	-	(19,400)	(19,400)
At 31 March 2020	6,391,173	441,132	332,444	7,164,749
<b>Depreciation</b>				
At 1 April 2019	826,505	161,134	191,969	1,179,608
Charge for the year	784,310	41,720	37,466	863,496
Eliminated on disposal	-	-	(3,307)	(3,307)
At 31 March 2020	1,610,815	202,854	226,128	2,039,797
<b>Carrying amount</b>				
At 31 March 2020	4,780,358	238,278	106,316	5,124,952
At 31 March 2019	677,364	195,753	97,843	970,960

Included within Leasehold Land and Buildings, the following relates to rights of use asset; additions of £4,466,891 and depreciation charge of £615,931.

### 10 Stocks

	31 March 2020 £	31 March 2019 £
Goods for resale	1,960,662	2,346,177

### 11 Trade and other debtors

	31 March 2020 £	31 March 2019 £
Trade debtors	1,677,877	1,294,107
Amounts owed by group undertakings	651,660	48,435
Prepayments and accrued income	153,810	336,166
Other debtors	2,990	56,087
Corporation tax	120,215	155,376
	2,606,552	1,890,171

The fair value of those trade and other debtors classified as financial instrument loans and trade debtors are disclosed in the financial instruments note.

The company's exposure to credit and market risks, including impairments and allowances for credit losses, relating to trade and other debtors is disclosed in the financial risk management and impairment note.

# Leica Camera Limited

## Notes to the Financial Statements for the Year Ended 31 March 2020

### 12 Cash at bank and in hand

	31 March 2020	31 March 2019
	£	£
Cash at bank	<u>1,251,172</u>	<u>1,185,031</u>

### 13 Share capital

Allotted, called up and fully paid shares .

	31 March 2020		31 March 2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

### 14 Reserves

#### Profit and loss account

Includes current and prior period retained profits and losses.

#### Other reserves

An agreement between Leica Camera AG and Leica Camera Limited. In the 31/03/1996 balance sheet of Leica Camera Ltd, accumulated losses total £442,000 at that date. In order to achieve the required capital base, the following was agreed: Leica Camera AG, the parent undertaking, provided Leica Camera Limited a capital contribution of DEM 1,908,160.00, equivalent £808,881, to be allocated to reserves in Leica Camera Ltd.

### 15 Obligations under leases and hire purchase contracts

#### Operating leases

The total future value of minimum lease payments is as follows:

	31 March 2020	31 March 2019
	£	£
Within one year	-	420,500
In two to five years	-	<u>985,500</u>
	<u>-</u>	<u>1,406,000</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £nil (2019 - £nil). IFRS 16 rights of use asset has been adopted in the year, operating leases have been capitalised as fixed assets, see note 9.

## Leica Camera Limited

### Notes to the Financial Statements for the Year Ended 31 March 2020

#### 16 Other provisions

#### 17 Trade and other payables

	31 March 2020 £	31 March 2019 £
Trade creditors	15,176	304,916
Accruals and deferred income	577,551	335,076
Amounts due to group undertakings	595	1,440,046
Social security and other taxes	518,894	211,795
Other creditors	3,947,509	135,900
Deferred tax	104,791	43,652
	<u>5,164,516</u>	<u>2,471,385</u>

The company's exposure to market and liquidity risks, including maturity analysis, related to trade and other payables is disclosed in the financial risk review note.

#### 18 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £70,477 (2019 - 38,387).

#### 19 Related party transactions

The company is a subsidiary of ACM Projektentwicklung whose accounts are publicly available. Accordingly the company has taken advantage of the exemption in IAS 24 not to disclose transactions with entities of the group qualifying as related parties. There are no other related party transactions requiring disclosure.

#### 20 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary of Leica Camera AG which is incorporated in Germany and the ultimate parent company is Socrates Privatstiftung which is a trust incorporated in Austria.

The smallest group in which the results of the company are consolidated is that headed by ACM Projektentwicklung. The consolidated accounts of this company are available to the public and may be obtained from the German and Austrian public register. No other group accounts are included in the results of the company.