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Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 December 2019
for
MARC CAIN UK LTD

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for the year ended 31 December 2019

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MARC CAIN UK LTD

Company Information
for the year ended 31 December 2019

DIRECTORS:

F Rheinboldt
M Breyer

REGISTERED OFFICE:

c/o TMF Group
8th Floor, 20 Farringdon Street
London
EC4A 4AB

REGISTERED NUMBER:

10475260 (England and Wales)

ACCOUNTANTS:

TMF Global Services (UK) Ltd
20 Farringdon Street
London
United Kingdom
EC4A 4AB

Report of the Directors
for the year ended 31 December 2019

The Directors present their report and the unaudited financial statements of Marc Cain UK Ltd (the "Company") for the financial year ended 31 December 2019.

RESULTS

The profit for the period before taxation amounted to £10,486 (2018: £1,854).

GOING CONCERN

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and therefore have adopted the use of the going concern basis in the preparation of the financial statements as at 31 December 2019. Further details regarding the adoption of the going concern basis can be found in Note 2 of the financial statements.

FUTURE DEVELOPMENTS

There have not been any significant changes in the Company's principal activity since the year end and the directors are not aware of any likely material changes in the next year.

On 31 January 2020, The United Kingdom (UK) left the European Union (EU). The government has since begun the process negotiating the UK's future trade deal with the EU. Although it is unknown what those terms will be Brexit may create global economic uncertainty.

At the date of signing these accounts the directors do not foresee any immediate risks crystallising, however, they acknowledge the uncertainty that now exists. The directors will continue to keep this under review.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 accounting estimates that are reasonable and prudent;
- 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.

SMALL COMPANIES EXEMPTION

In preparing this Directors' Report, the directors have taken advantage of the small companies exemption under section 415A of the Companies Act 2006 for reduced disclosures. The directors have also taken advantage of the small companies exemption under section 414B in relation to preparation of a strategic report.

PRINCIPAL ACTIVITY

The core business activity of the Company since inception is that of a wholesaler distribution of clothing and footwear.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2019.

Report of the Directors
for the year ended 31 December 2019

DIRECTORS


The directors shown below have held office from 11 November 2019 to the date of this report:

F Rheinboldt
M Breyer

The directors shown below held office from 1 January to 11 November 2019:

N Lock
H Schlotterer

ON BEHALF OF THE BOARD:


.....
M Breyer - Director

Date: 16/07/2020

Statement of Comprehensive Income
for the year ended 31 December 2019

	Notes	2019 £	2018 £
TURNOVER	3	550,532	468,058
Administrative expenses		<u>(540,046)</u>	<u>(466,204)</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		10,486	1,854
Tax on profit	6	<u>(3,466)</u>	<u>(1,703)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>7,020</u></u>	<u><u>151</u></u>

The notes form part of these financial statements

Statement of Financial Position

31 December 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	7	<u>43,308</u>	<u>51,065</u>
CURRENT ASSETS			
Stocks		276,676	302,894
Debtors	8	124,271	103,444
Cash at bank	9	<u>17,951</u>	<u>27,890</u>
		418,898	434,228
CREDITORS			
Amounts falling due within one year	10	<u>(444,012)</u>	<u>(474,119)</u>
NET CURRENT LIABILITIES		<u>(25,114)</u>	<u>(39,891)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,194</u>	<u>11,174</u>
CAPITAL AND RESERVES			
Called up share capital	11	10,000	10,000
Retained earnings	12	<u>8,194</u>	<u>1,174</u>
SHAREHOLDERS' FUNDS		<u>18,194</u>	<u>11,174</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

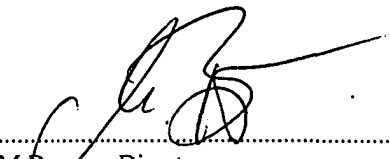
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 16/01/2020 and were signed on its behalf by:


.....
M Breyer - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the year ended 31 December 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018	10,000	1,023	11,023
Changes in equity			
Total comprehensive income	-	151	151
Balance at 31 December 2018	10,000	1,174	11,174
Changes in equity			
Total comprehensive income	-	7,020	7,020
Balance at 31 December 2019	10,000	8,194	18,194

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31 December 2019

1. GENERAL INFORMATION

Marc Cain UK Limited ("The Company") is a private limited company incorporated in England and Wales, registration number is 10475260. The address of its registered office is c/o TMF Group, 8th Floor, 20 Farringdon Street, London, EC4A 4AB.

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, under the provision for Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI2008/409).

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(i) Equity instruments

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

(ii) Trade and other receivables

Short term debtors are measured at transaction price, less any impairment.

(iii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with a maturity of three months or less. Bank overdrafts are presented as current liabilities to the extent that there is no right of offset with cash balances.

(iv) Trade and other payables

Trade and other payables are not interest bearing and are stated initially at fair value and subsequently held at amortised cost.

(v) Financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities are derecognised when the liability is extinguished, that is the contractual obligation is discharged, cancelled or expires.

Financial liabilities are derecognised when the liability is extinguished, that is the contractual obligation is discharged, cancelled or expires.

Going concern basis

The financial statements have been prepared on the going concern basis. The funds to meet the commitments and obligations of the company are provided by the parent company and the parent company has confirmed that it will continue to provide such funding as the company may need to meet its financial obligations for the foreseeable future.

Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from the estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider there to be any critical accounting judgements that must be applied.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

	£
Revenue from wholesale of clothing and footwear	550,532

All turnover relates to provision of goods and earned in the UK.

4. EMPLOYEES AND DIRECTORS

	31.12.19£	31.12.18£
Wages and salaries	70,045	80,403
Social security costs	10,335	16,149
	<u>80,380</u>	<u>96,552</u>

The average monthly number of employees during the period was as follows:	<u>2</u>	<u>2</u>
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5. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.19£	31.12.18£
Depreciation	<u>7,757</u>	<u>7,757</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	3,466	1,826
Under/Over provision	<u>-</u>	<u>(123)</u>
Tax on profit	<u>3,466</u>	<u>1,703</u>

UK corporation tax has been charged at 19%.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>10,486</u>	<u>1,854</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	1,992	352
Effects of: Depreciation	<u>1,474</u>	<u>1,351</u>
Total tax charge	<u>3,466</u>	<u>1,703</u>

As part of the Finance Act 2017, the UK government has announced that restrictions on interest deductibility and loss relief will be implemented. Draft legislation has been released setting out the new provisions. This may impact the taxable profits of the Company as well as the amount of carried forward losses which can be utilised each year to offset taxable profits.

7. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2019 and 31 December 2019	<u>62,054</u>
DEPRECIATION	
At 1 January 2019	10,989
Charge for year	<u>7,757</u>
At 31 December 2019	<u>18,746</u>
NET BOOK VALUE	
At 31 December 2019	<u>43,308</u>
At 31 December 2018	<u>51,065</u>

8. DEBTORS

	2019 £	2018 £
Amounts falling due within one year:		
Amounts owed by group undertakings	74,746	55,489
Other debtors	<u>4,805</u>	<u>-</u>
	<u>79,551</u>	<u>55,489</u>

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

8. DEBTORS - continued

	2019 £	2018 £
Amounts falling due after more than one year:		
Trade debtors	<u>44,720</u>	<u>47,955</u>
Aggregate amounts	<u>124,271</u>	<u>103,444</u>

9. CASH AT BANK

	2019 £	2018 £
Bank deposit account	<u>17,951</u>	<u>27,890</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	1,522	2,669
Amounts owed to group undertakings	423,048	450,532
Taxation and social security	15,943	15,919
Other creditors	3,499	4,999
	<u>444,012</u>	<u>474,119</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
10,000	Ordinary	1	<u>10,000</u>	<u>10,000</u>

All ordinary shares have full rights in the Company with respect to voting, dividends and distributions.

12. RESERVES

	Retained earnings £
At 1 January 2019	1,174
Profit for the year	<u>7,020</u>
At 31 December 2019	<u>8,194</u>

13. COMMITMENTS AND CONTINGENCIES

There are no commitments and contingencies as at 31 December 2019.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

14. CONTROLLING PARTY

The immediate parent undertaking is Marc Cain GmbH, a company incorporated in Germany, with its registered office at Marc-Cain-Allee 4, 72411 Bodelshausen.

The ultimate parent and controlling party of the Company is Marc Cain Holding GmbH, a Limited Liability Partnership registered in Germany. This is the smallest and largest group in which the results of the Company are consolidated. These financial statements are available to the public and can be obtained from UK Companies House via www.companieshouse.gov.uk.

15. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions.

16. POST BALANCE SHEET EVENTS

There were no post balance sheet events that require disclosure in these financial statements.