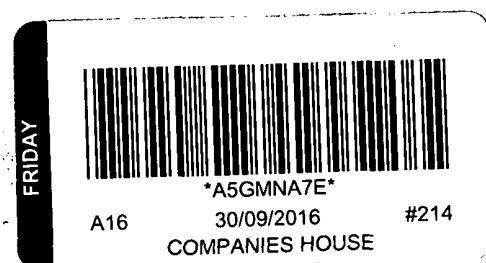


Johnsons Photopia Holdings Limited

Directors' report and financial statements

For the Year Ended 31 December 2015



Johnsons Photopia Holdings Limited

Company Information

| | |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------|
| Directors | S R Kirkham T J Harrison D J Harper |
| Company secretary | T J Harrison |
| Registered number | 03026549 |
| Registered office | Hempstalls Lane Newcastle-under-Lyme Staffordshire ST5 0SW |
| Independent auditors | Dains LLP Suite 2, Albion House 2 Etruria Office Village Forge Lane Etruria Stoke on Trent ST1 5RQ |
| Bankers | HSBC Bank plc PO Box 68 130 New Street Birmingham West Midlands B2 4JU |

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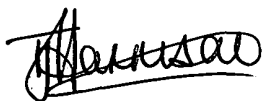
**Strategic report
For the Year Ended 31 December 2015**

Business review

The company has not traded during the current or preceeding financial year and the directors consider there is no benefit in providing a detailed business review.

During the year a dividend of £1,300,000 was received and paid by the company.

This report was approved by the board and signed on its behalf.



T J Harrison
Director

Date: 23/09/2016

**Directors' report
For the Year Ended 31 December 2015**

The directors present their report and the financial statements for the year ended 31 December 2015.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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.

Principal activity

The principal activity of the company is that of an intermediate holding company which has not traded during the year.

Results and dividends

The profit for the year, after taxation, amounted to £1,300,000 (2014 - £NIL).

Particulars of dividends paid are details in the notes to the financial statements.

Directors

The directors who served during the year were:

S R Kirkham
T J Harrison
D J Harper

Directors' report (continued)
For the Year Ended 31 December 2015

Disclosure of information to auditors

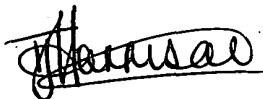
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board and signed on its behalf.



T J Harrison
Secretary

Date: 23/09/2016

Independent auditors' report to the shareholders of Johnsons Photopia Holdings Limited

We have audited the financial statements of Johnsons Photopia Holdings Limited for the year ended 31 December 2015, set out on pages 6 to 13. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' responsibilities statement on page 2, 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 Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 December 2015 and of its profit or 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those accounts. 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.

Independent auditors' report to the shareholders of Johnsons Photopia Holdings 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.



Jonathan Dudley (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Date: *30 September 2016*

Johnsons Photopia Holdings Limited

Statement of income and retained earnings For the Year Ended 31 December 2015

| | Note | 2015 £ | 2014 £ |
|-------------------------------------------------|------|------------------|--------------|
| Income from shares in group companies | | 1,300,000 | - |
| Profit before tax | | 1,300,000 | - |
| Profit after tax | | 1,300,000 | - |
| Retained earnings at the beginning of the year | | 7,575 | 7,575 |
| | | 7,575 | 7,575 |
| Profit/(loss) for the year | | 1,300,000 | - |
| Dividends declared and paid | | (1,300,000) | - |
| Retained earnings at the end of the year | | 7,575 | 7,575 |

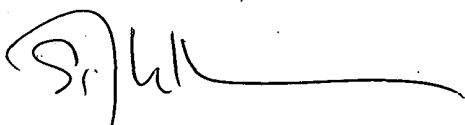
There were no recognised gains and losses for 2015 or 2014 other than those included in the statement of income and retained earnings.

The notes on pages 8 to 13 form part of these financial statements.

Balance sheet
As at 31 December 2015

| | Note | £ | 2015 £ | £ | 2014 £ |
|------------------------------------------------|------|------------------|-----------------------------|--------------------|-----------------------------|
| Fixed assets | | | | | |
| Investments | 8 | | <u>266,354</u> | | <u>266,354</u> |
| | | | 266,354 | | 266,354 |
| Current assets | | | | | |
| Debtors: amounts falling due within one year | 9 | <u>543,387</u> | | <u>1,523,647</u> | |
| | | 543,387 | | 1,523,647 | |
| Creditors: amounts falling due within one year | 10 | <u>(745,915)</u> | | <u>(1,726,175)</u> | |
| Net current liabilities | | | <u>(202,528)</u> | | <u>(202,528)</u> |
| Total assets less current liabilities | | | <u>63,826</u> | | <u>63,826</u> |
| Net assets | | | <u><u>63,826</u></u> | | <u><u>63,826</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | 11 | | <u>56,251</u> | | <u>56,251</u> |
| Profit and loss account | 12 | | <u>7,575</u> | | <u>7,575</u> |
| | | | <u>63,826</u> | | <u>63,826</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



S R Kirkham
Director

Date: 23/09/2016

The notes on pages 8 to 13 form part of these financial statements.

**Notes to the financial statements
For the Year Ended 31 December 2015**

1. General information

Johnsons Photopia Holdings Limited is a company limited by shares, incorporated in England and Wales. Its registered office is Hempstalls Lane, Newcastle-under-Lyme, Staffordshire, ST5 0SW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 16.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Johnsons Photopia Group Limited as at 31 December 2015 and these financial statements may be obtained from Hempstalls Lane, Newcastle-under-Lyme, Staffordshire, ST5 0SW.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of Section 9 Consolidated and Separate Financial Statements paragraph 9.3.

**Notes to the financial statements
For the Year Ended 31 December 2015**

2. Accounting policies (continued)

2.3 Going concern

The company has net current liabilities of £202,528 arising from debts due to fellow group undertakings. Although technically repayable on demand, the company has received confirmation that these undertakings will not seek repayment of the debt for a period of at least 12 months from the date of signing the balance sheet. For this reason the directors consider it appropriate to prepare the accounts on a going concern basis.

The group of which the ultimate parent company is Johnsons Photopia Group Limited, has net current liabilities of £330,132 and net assets of £129,433 at 31 December 2015. The group has the support of its bankers by virtue of an invoice discounting and working capital facility, acknowledges the fact that the provider of additional finance in the form of other loans has confirmed a willingness to flex the repayment terms of those loans if appropriate and has produced forecasts which indicate that in the opinion of the directors the group is able to service its debts as they fall due. For this reason, the directors consider it appropriate for the financial statements to be prepared on a going concern basis.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**Notes to the financial statements
For the Year Ended 31 December 2015**

3. Judgments in applying accounting policies 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 these 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 revision and future periods if the revision affects both current and future periods.

Estimates have been made in relation to the valuation of fixed asset investments. This relates to the net book value of investment in subsidiary companies and is valued at £266,354 in these financial statements.

4. Auditors' remuneration

Auditors remuneration has been paid on behalf of this company by Johnsons Photopia Limited, a subsidiary undertaking of Johnsons Photopia Holdings Limited.

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

6. Key management remuneration

| | 2015 £ | 2014 £ |
|---------------------------------------------------------------|----------------|----------------|
| Directors' emoluments | 92,138 | 95,267 |
| Company contributions to defined contribution pension schemes | 17,019 | 17,019 |
| | <u>109,157</u> | <u>112,286</u> |

Aggregate remuneration includes benefit in kind and is payable to the directors by the subsidiary undertaking, Johnsons Photopia Limited, for services rendered to that company in the year.

Notes to the financial statements
For the Year Ended 31 December 2015

7. Dividends

| | 2015 £ | 2014 £ |
|--------------------------|------------------|-----------|
| Ordinary A shares | | |
| Dividends paid | 975,017 | - |
| Ordinary B shares | | |
| Dividends paid | 324,983 | - |
| | <u>1,300,000</u> | <u>-</u> |

8. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|---------------------------------------------------|
| Cost or valuation | |
| At 1 January 2015 | 266,354 |
| At 31 December 2015 | <u>266,354</u> |
| Net book value | |
| At 31 December 2015 | <u>266,354</u> |
| At 31 December 2014 | <u>266,354</u> |

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name | Country of incorporation | Class of shares | Holding | Principal activity |
|-----------------------------------|-----------------------------|--------------------|---------|-------------------------------------------------------------------|
| Johnsons Photopia Limited | UK | Ordinary shares | 100 % | Distribution and servicing of photographic and imaging equipment. |
| Digital Imaging Solutions Limited | UK | Ordinary shares | 100 % | Dormant subsidiary |
| Japanese Cameras Limited | UK | Ordinary shares | 100 % | Dormant subsidiary |
| Direct 2U Limited | UK | Ordinary shares | 100 % | Dormant subsidiary |
| JP Camera Phone Service Limited | UK | Ordinary shares | 100 % | Dormant subsidiary |

**Notes to the financial statements
For the Year Ended 31 December 2015**

8. Fixed asset investments (continued)

The aggregate of the share capital and reserves as at 31 December 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

| | Aggregate of share capital and reserves £ | Profit/(loss) £ |
|-----------------------------------|-------------------------------------------------------|--------------------|
| Johnsons Photopia Limited | 332,404 | 240,256 |
| Digital Imaging Solutions Limited | 109,000 | - |
| Japanese Cameras Limited | 1,000 | - |
| Direct 2U Limited | 2 | - |
| JP Camera Phone Service Limited | 1 | - |

9. Debtors

| | 2015 £ | 2014 £ |
|------------------------------------|----------------|------------------|
| Amounts owed by group undertakings | 543,387 | 1,523,647 |
| | <u>543,387</u> | <u>1,523,647</u> |

10. Creditors: Amounts falling due within one year

| | 2015 £ | 2014 £ |
|------------------------------------|----------------|------------------|
| Amounts owed to group undertakings | 745,915 | 1,726,175 |
| | <u>745,915</u> | <u>1,726,175</u> |

11. Share capital

| | 2015 £ | 2014 £ |
|--------------------------------------------|---------------|---------------|
| Shares classified as equity | | |
| Allotted, called up and fully paid | | |
| 42,189 Ordinary A shares shares of £1 each | 42,189 | 42,189 |
| 14,062 Ordinary B shares shares of £1 each | 14,062 | 14,062 |
| | <u>56,251</u> | <u>56,251</u> |

Each A and B ordinary share is entitled to one vote in any circumstances and each share is also entitled pari passu to dividend payments or any other distribution, including a distribution arising from a winding up of the company.

**Notes to the financial statements
For the Year Ended 31 December 2015**

12. Reserves

Profit & loss account

The profit and loss account reserve represents the cumulative profits and losses, net of dividends paid and other adjustments.

13. Contingent liabilities

The company has given an omnibus guarantee to all group companies with respect to banking facilities. The maximum liability under this guarantee was £477,020 (2014 - £694,543).

14. Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 102, in relation to Related Party Transactions. FRS 102 does not require disclosure of transactions with other members of the group headed by Johnsons Photopia Group Limited on the grounds that it is a wholly owned subsidiary undertaking. Copies of the accounts of Johnsons Photopia Group Limited can be obtained from its registered office at Hempstalls Lane, Newcastle-under-Lyme, Staffordshire, ST5 0SW.

15. Controlling party

The immediate parent undertaking is Johnsons of Hendon Limited and the ultimate parent undertaking is Johnsons Photopia Group Limited, which is controlled by S R Kirkham, T J Harrison and D J Harper.

16. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit and loss.