

(xi) Deferred Tax

	£m
At 1 July 2019 (included in trade and other receivables)	0.6
Additions to the income statement	0.1
Additions to statement of changes in equity	(0.3)
At 30 June 2020 (included in trade and other receivables)	0.4

Deferred tax has been calculated using the rate of 17.0% or 19.0% based on the timing of when each individual deferred tax balance is expected to reverse in the future as follows (2019: 19.0% or 17.0%):

	2020 £m	2019 £m
Short term timing differences	0.7	1.0
Accelerated capital allowances	(0.3)	(0.4)
	0.4	0.6

Deferred tax assets in relation to losses amounting to £nil (2019: £nil) have not been recognised due to uncertainty over their recoverability.

(xii) Called up Share Capital

	Ordinary shares of 1p each	
	£m	Number
Issued share capital		
Allotted, called up and fully paid at 1 July 2019	1.0	102,651,602
New shares issued	0.1	5,359,358
Allotted, called up and fully paid at 30 June 2020	1.1	108,010,960

Details of new ordinary shares issued following the exercise of options under the Long Term Incentive Plan and the Approved, Unapproved and SAYE Share Option Schemes are shown in notes 25 and 27 to the Consolidated Financial Statements.

Share Options

Details of outstanding share options over ordinary shares of 1 pence at 30 June 2020 under the various Group share option schemes are shown in note 27 to the Consolidated Financial Statements.

(xiii) Operating Leases

At the balance sheet date the Company had outstanding commitments for future minimum rentals payable under non-cancellable operating leases as follows:

	Land and buildings		Other assets		Total	
	2020 £m	2019 £m	2020 £m	2019 £m	2020 £m	2019 £m
Within one year	–	0.1	–	0.1	–	0.2
Between one and five years	–	0.4	–	0.1	–	0.5
In five years or more	–	0.6	–	–	–	0.6
	–	1.1	–	0.2	–	1.3

(xiv) Adoption of New and Revised Standards

The Company has adopted IFRS 16 retrospectively from 1 July 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 July 2019. The new accounting policies are disclosed within Note 35 of the Group accounts.

(a) Adjustments recognised on adoption of IFRS 16

On adoption of IFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 July 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 2.9%.

Notes to the Company Financial Statements

continued

(xiv) Adoption of New and Revised Standards continued

	2019 £m
Operating lease commitments disclosed as at 30 June 2019	1.3
Impact of discounting using incremental borrowing rate (IBR) on transition	(0.2)
Lease liability recognised as at 30 June 2019	1.1
Of which:	
Current lease liabilities	0.2
Non-current lease liabilities	0.9
	1.1

The recognised right of use assets relate to the following types of assets:

	2020 £m	2019 £m
Properties	0.8	0.9
Motor vehicles	0.2	0.2
Total right of use assets	1.0	1.1

The change in accounting policy affected the following items in the balance sheet on 1 July 2019:

- right of use assets – increase £1.1 million.
- lease liability – increase £1.1 million.

The net impact on retained earnings on 1 July 2019 was £nil.

The adoption of IFRS 16 has resulted in EBITDA being £0.2 million higher in the current period compared to IAS 17. There has been £nil impact on EBIT.

(xv) Subsidiary Undertakings

Operating subsidiaries

Name	Country of Incorporation	Principal Activity	Registered Address	Shareholder
Ampharmco, LLC	USA	Manufacturer of veterinary pharmaceuticals	1401 Joel East Road, Fort Worth, TX76140-6003, United States	Dechra Holdings US Inc
AST Farma B.V.	The Netherlands	Marketer of veterinary pharmaceuticals and distributor of veterinary pharmaceuticals and equipment	Wilgenweg 7, 3421TV Oudewater, The Netherlands	Dechra Finance B.V.
Dechra Brasil Produtos Veterinarios LTDA (Formerly Laboratorios Vencofarma do Brasil Ltda)	Brazil	Developer, regulatory, manufacturer and marketer of veterinary pharmaceuticals	Travessa Dalva de Oliveira, 237, Industrias Leves, Londrina, Parana 86030-370, Brazil	Dechra Holdings Brasil Ltda
Dechra Development LLC	USA	Contract regulatory and product development services for the Group	Principal Place of Business: 7015 College Blvd, Suite 510, Overland Park KS 66211, United States	Dechra Holdings US Inc
Dechra Limited	England and Wales	Developer, regulatory, product development, manufacturer and marketer of veterinary pharmaceuticals	Snaygill Industrial Estate, Keighley Road, Skipton, BD23 2RW, United Kingdom	Dechra Investments Limited
Dechra Finance Australia Limited	England and Wales	Financial services	24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA, United Kingdom	Dechra Limited
Dechra Finance B.V.	The Netherlands	Financial services and holding company	Pettelaarpark 38, 5216PD 's-Hertogenbosch, The Netherlands	Dechra Pharmaceuticals PLC
Dechra Finance Ireland Designated Activity Company	Republic of Ireland	Financial services	6th Floor, 2 Grand Canal Square, Dublin 2, Ireland	Dechra Limited
Dechra Finance Limited	England and Wales	Financial services and holding company	24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA, United Kingdom	Dechra Pharmaceuticals PLC
Dechra Finance Sterling Limited	England and Wales	Financial services	24 Cheshire Avenue, Cheshire Business Park, Lostock Gralam, Northwich, CW9 7UA, United Kingdom	Dechra Pharmaceuticals PLC