

Woodstock Neckwear Limited

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended

31 December 2009



Woodstock Neckwear Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

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Woodstock Neckwear Limited

OFFICERS AND ADVISORS

DIRECTORS

J Spiegel (USA)
B Kovaly (USA)
J Hastings (USA)

SECRETARY

Purple Venture Secretaries Limited

COMPANY NUMBER

02840222

REGISTERED OFFICE

Second Floor
1 Red Place
Mayfair
London
W1 6PL

AUDITORS

Baker Tilly UK Audit LLP
First Floor, Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

BUSINESS ADDRESS

Telford Road
Eastfield Estate
Glenrothes
Fife
KY7 4NX

Woodstock Neckwear Limited

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and financial statements for the year ended 31 December 2009

DIRECTORS

The following directors have held office since 1 January 2009

J Spiegel (USA)
B Kovaly (USA)
J Hastings (USA)

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of the sale and distribution of neckwear

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Group made a pre-tax profit of £684,886 on turnover of £7,108,038 for the year ended 31st December 2009. This success reflects the continued efforts to provide our customers with compelling products whilst controlling costs.

The principal risks and uncertainties facing the group are continuing price pressure from customers and any downturn in consumer spending.

In the opinion of the Directors there are no key performance indicators whose disclosure is necessary for an understanding of the development, performance or position of the business.

RESULTS AND DIVIDENDS

The consolidated profit and loss account for the year is set out on page 5.

No dividends have been paid in the year and the directors have not recommended payment of a final dividend.


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the auditors are unaware. Each of the directors has confirmed that they have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

AUDITORS

A resolution to reappoint Baker Tilly UK Audit LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the board



J Spiegel (USA)
Director

Date 27/4/ 2010

Woodstock Neckwear Limited

STATEMENT OF DIRECTORS RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2009

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS' OF WOODSTOCK NECKWEAR LIMITED

We have audited the group and parent company financial statements (the "financial statements") on pages 5 to 18. 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).

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.

Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2009 and of the group's profit 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.

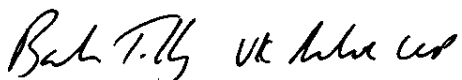
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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.



Ivan Tait (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

First Floor, Quay 2

139 Fountainbridge

Edinburgh

EH3 9QG

4/5/10

Woodstock Neckwear Limited
CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2009

	<i>Notes</i>	2009 £	2008 £
TURNOVER	2	7,108,038	7,435,155
Cost of sales		<u>(3,806,893)</u>	<u>(3,942,067)</u>
Gross profit		3,301,145	3,493,088
Distribution costs		(2,001,065)	(1,983,086)
Administrative expenses		(765,283)	(771,313)
Other operating income		<u>61,800</u>	<u>38,057</u>
OPERATING PROFIT	3	596,597	776,746
Profit/(loss) on disposals of fixed assets		2,153	(1,523)
Other interest receivable and similar income	4	<u>86,136</u>	<u>301,052</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		684,886	1,076,275
Tax on profit on ordinary activities	5	<u>(168,162)</u>	<u>(320,235)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	16	<u>516,724</u>	<u>756,040</u>

The operating profit for the year arises from the group's continuing operations

Woodstock Neckwear Limited

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 December 2009

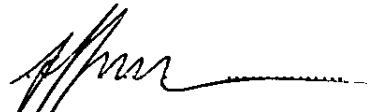
	2009 £	2008 £
Profit for the financial year	516,724	756,040
Current translation differences on foreign currency net investments	<u>(225,501)</u>	<u>1,544,536</u>
Total recognised gains and losses relating to the year	<u>291,223</u>	<u>2,310,576</u>

Woodstock Neckwear Limited
GROUP AND COMPANY BALANCE SHEETS
As at 31 December 2009

Company Number 02840222

		Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
	Notes				
Fixed Assets					
Tangible assets	7	459,997	547,647	355,888	410,681
Investments	8	17,536	17,536	150,162	150,162
		<u>477,533</u>	<u>565,183</u>	<u>506,050</u>	<u>560,843</u>
Current Assets					
Stocks	9	743,517	510,074	740,694	499,307
Debtors	10	2,782,598	3,317,022	2,183,922	2,641,894
Cash at bank and in hand		6,990,922	6,089,745	5,244,944	4,739,703
		<u>10,517,037</u>	<u>9,916,841</u>	<u>8,169,560</u>	<u>7,880,904</u>
Creditors					
Amounts falling due within one year	11	(2,169,967)	(1,983,841)	(1,758,259)	(1,807,829)
Net Current Assets		<u>8,347,072</u>	<u>7,933,000</u>	<u>6,411,301</u>	<u>6,073,075</u>
Total Assets less Current Liabilities		<u>8,824,605</u>	<u>8,498,183</u>	<u>6,917,351</u>	<u>6,633,918</u>
Provisions for liabilities and charges					
Deferred taxation	12	(31,902)	(5,483)	(31,902)	(5,483)
Accruals and Deferred Income	13	(33,610)	(36,590)	(33,610)	(36,590)
		<u>8,759,093</u>	<u>8,456,110</u>	<u>6,851,839</u>	<u>6,591,845</u>
Capital and Reserves					
Called up share capital	14	200,000	200,000	200,000	200,000
Other reserves	15	96,163	84,403	-	-
Profit and loss account	15	8,462,930	8,171,707	6,651,839	6,391,845
Shareholders' Funds	16	<u>8,759,093</u>	<u>8,456,110</u>	<u>6,851,839</u>	<u>6,591,845</u>

The financial statements were approved by the board on 27/4/10 and are signed on their behalf and authorised for issue by


J Spiegel (USA)
Director

Date 27/4/ 2010

Woodstock Neckwear Limited
CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2009

	2009		2008
	£	£	£
Net cash inflow from operating activities (a)	1,157,147		595,346
Returns on investments and servicing of finance			
Interest received	61,441		301,052
Interest paid	<u>-</u>		<u>-</u>
Net cash inflow from returns on investments and servicing of finance	61,441		301,052
Taxation	(250,767)		(463,330)
Capital expenditure			
Payments to acquire tangible assets	(66,644)		(241,490)
Receipts from sales of tangible assets	<u>-</u>		<u>-</u>
Net cash outflow from capital expenditure	(66,644)		(241,490)
Equity dividends paid	<u>-</u>		<u>(5,042,864)</u>
Increase/(Decrease) in cash in the year (b)	<u>901,177</u>		<u>(4,851,286)</u>

Woodstock Neckwear Limited

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2009

(a) Reconciliation of operating profit to net cash inflow from operating activities				
		2009		2008
		£		£
Operating profit		596,597		776,746
Depreciation of tangible assets		145,123		130,604
Amortisation of grants		(2,980)		(3,192)
(Increase)/Decrease in stocks		(233,443)		79,691
Decrease in debtors		534,424		519,880
Increase/(Decrease) in creditors within one year		188,042		(1,684,717)
Net effect of foreign exchange differences		(70,616)		776,334
Net cash inflow from operating activities		1,157,147		595,346
(b) Analysis of net funds				
	1 January 2009	Cash flow	Other non- cash changes	31 December 2009
	£	£	£	£
Net cash				
Cash at bank and in hand	6,089,745	901,177	-	6,990,922
(c) Reconciliation of net cash flow to movement in net funds				
		2009		2008
		£		£
Increase/(Decrease) in cash in the year		901,177		(4,851,286)
Movement in net funds in the year		901,177		(4,851,286)
Opening net funds		6,089,745		10,941,031
Closing net funds		6,990,922		6,089,745

Woodstock Neckwear Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

1. Accounting Policies

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Going Concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors Report on page 2. The group has considerable financial resources and strong relationships with a number of customers and suppliers. As a consequence, the directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook. The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertaking made up to 31 December 2009. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

1.4 Turnover

Turnover represents the invoiced value, net of Value Added Tax, of goods sold to customers outside the group.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Buildings Leasehold	4% straight line
Fixtures, Fittings and Office equipment	20 - 33 3% straight line, 25% reducing balance
Motor vehicles	20% straight line

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

1.7 Investments

Long term investments are classified as fixed assets. Short term investments are classified as current assets.

Participating interests and unlisted investments are stated at cost in the company balance sheet. Provision is made for any impairment in the value of fixed asset investments.

1.8 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

1.9 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year under a defined contribution scheme in accordance with FRS 17.

1.10 Deferred taxation

Deferred Tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences between the company's taxable profits and its results are stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in period different from those in which they are recognised in the financial statements.

Woodstock Neckwear Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

1 Accounting Policies (continued)

1 10 Deferred taxation (continued)

Deferred tax is measured at the average rate that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1 11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are either taken to profit and loss account or where the translation difference arises on consolidation are taken to the statement of total recognised gains and losses.

1 12 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity undertaken in the United Kingdom and the People's Republic of China. An analysis of turnover by geographical area has not been provided as the directors believe that this would be seriously prejudicial to the interests of the group.

3 Operating profit

	2009 £	2008 £
Operating profit is stated after charging/(crediting)		
Depreciation of tangible assets	145,123	130,604
Grant released	(2,980)	(3,192)
Operating lease rentals		
- land and buildings	186,329	151,216
- other	10,788	10,785
Auditors' remuneration - audit	15,941	17,539
Loss on foreign exchange transactions	20,792	19,602

4 Interest Receivable

	2009 £	2008 £
Bank interest receivable	62,981	225,072
Interest from related undertakings	23,155	45,980
	<u>86,136</u>	<u>301,052</u>

Woodstock Neckwear Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

5 Taxation

	2009 £	2008 £
Domestic current year tax		
UK corporation tax current year	86,934	325,723
UK corporation tax prior year	(9,475)	-
Foreign corporation tax		
Foreign corporation tax	64,284	1,096
Total current tax	141,743	326,819
Current movement on deferred tax	26,419	(6,584)
Tax charge	168,162	320,235

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2008- 28%)

	2009 £	2008 £
Profit on ordinary activities before taxation	684,886	1,076,275
Profit on ordinary activities multiplied by rate of tax	191,768	301,357
Effect of tax on profits outwith the UK (China tax rate 15%)	(25,600)	(15)
Overseas income	-	898,080
Double taxation relief	-	(914,029)
Expenses not deductible for taxation	4,164	14,023
Capital allowances for period in excess of depreciation	2,178	(847)
Origination and reversal of timing differences	(21,292)	7,430
Adjustments in respect of prior periods	(9,475)	-
Effect of changes in tax rate	-	20,820
Total current tax	141,743	326,819

6 Profit for the Financial Year

As permitted by s408 of the Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is as follows

	2009 £	2008 £
Holding company's profit for the financial year	259,994	3,035,110

Woodstock Neckwear Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2009

7 Tangible Fixed Assets

Group	Buildings Leasehold £	Fixtures, fittings & equipment £	Motor Vehicles £	Total £
Cost				
At 1 January 2009	640,250	638,353	86,982	1,365,585
Additions	-	53,637	13,007	66,644
Disposals	-	(11,402)	(16,777)	(28,179)
Exchange differences	(1,997)	(12,769)	(8,314)	(23,080)
At 31 December 2009	638,253	667,819	74,898	1,380,970
Depreciation				
At 1 January 2009	300,018	469,274	48,646	817,938
Charge for the year	45,523	86,535	13,065	145,123
On disposals	-	(10,439)	(15,099)	(25,538)
Exchange differences	(172)	(11,646)	(4,732)	(16,550)
At 31 December 2009	345,369	533,724	41,880	920,973
Net book value				
At 31 December 2009	292,884	134,095	33,020	459,997
At 31 December 2008	340,232	169,079	38,336	547,647
Company				
	Buildings Leasehold £	Fixtures, fittings & equipment £	Total £	
Cost				
At 1 January 2009	598,753	442,825	1,041,578	
Additions	32,586	11,524	44,110	
Disposals	(3,190)	(6,614)	(9,804)	
At 31 December 2009	628,149	447,735	1,075,884	
Depreciation				
At 1 January 2009	277,919	352,978	630,897	
On disposals	(2,387)	(6,614)	(9,001)	
Charge for the year	62,363	35,737	98,100	
At 31 December 2009	337,895	382,101	719,996	
Net book value				
At 31 December 2009	290,254	65,634	355,888	
At 31 December 2008	320,834	89,847	410,681	

Woodstock Neckwear Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

8 Fixed Asset Investments

Group	Unlisted Investments £	Total £	
Cost			
At 1 January 2009 and at 31 December 2009	17,536	17,536	
Company	Unlisted Investments £	Shares in Group Undertakings £	Total £
Cost			
At 1 January 2009 and at 31 December 2009	17,536	132,626	150,162

In the opinion of the directors, the aggregate value of the company's investment in its subsidiary undertaking is not less than the amount included in the balance sheet

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertaking			
Randa Shanghai Limited	Peoples Rep of China	Ordinary	100
Participating interest			
YouYou Neckwear (Shengzou) Limited	Peoples Rep of China	Ordinary	25

The principal activity of these undertakings for the last relevant financial year was that of International trade consultants

YouYou Neckwear (Shengzou) Limited is classified as a participating interest as the company does not exercise a significant influence over the operating and financial policies of the company. The results of Randa Shanghai Limited are consolidated in these financial statements as a subsidiary undertaking.

The aggregate amount of capital and reserves and the results of these undertakings, not included in these consolidated financial statements for the last relevant financial year were as follows

	Capital & Reserves 2009 £	Profit for the year 2009 £
YouYou Neckwear (Shengzou) Limited	146,908	8,084

9 Stocks

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Raw materials and consumables	75,415	75,242	72,592	64,475
Finished goods and goods for resale	668,102	434,832	668,102	434,832
	743,517	510,074	740,694	499,307

Woodstock Neckwear Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

10 Debtors

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Trade debtors	1,504,663	1,501,430	1,283,260	1,456,103
Other debtors	1,174,562	1,745,193	812,829	1,106,883
Prepayments and accrued income	103,373	70,399	87,833	78,908
	<u>2,782,598</u>	<u>3,317,022</u>	<u>2,183,922</u>	<u>2,641,894</u>

Included within other debtors of the group and company is £500,000 that is due after more than one year

11 Creditors: amounts falling due within one year

	Group 2009 £	Group 2008 £	Company 2009 £	Company 2008 £
Trade creditors	266,843	211,140	118,478	176,906
Corporation tax	129,741	131,657	86,934	125,205
Other taxes and social security costs	178,442	181,869	178,442	181,869
Other creditors	1,060,925	835,582	840,389	677,593
Accruals and deferred income	534,016	623,593	534,016	646,616
	<u>2,169,967</u>	<u>1,983,841</u>	<u>1,758,259</u>	<u>1,807,829</u>

12 Deferred taxation – Group and Company

The movement in the deferred taxation provision during the year was

	2009 £	2008 £
Provision brought forward	5,483	12,067
Profit and loss account movement arising during the year	<u>26,419</u>	<u>(6,584)</u>
Provision carried forward	<u>31,902</u>	<u>5,483</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2009 £	2008 £
Excess of taxation allowances over depreciation on fixed assets	<u>31,902</u>	<u>5,483</u>

13 Government Grants

Group and Company	Government Grants £
Balance at 1 January 2009	36,590
Amortisation in the year	<u>(2,980)</u>
Balance at 31 December 2009	<u>33,610</u>

Woodstock Neckwear Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2009

14 Share capital

	2009 £	2008 £
Authorised		
2,000,000 Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>
Allotted, called up and fully paid		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

15 Statement of movements on reserves
Group

	Other Reserves £	Profit and Loss account £
Balance at 1 January 2009	84,403	8,171,707
Retained profit for the year	-	516,724
Foreign currency translation differences	11,760	(225,501)
Dividend Paid	<u>-</u>	<u>-</u>
Balance at 31 December 2009	<u>96,163</u>	<u>8,462,930</u>

Company

	Profit and Loss account £
Balance at 1 January 2009	6,391,845
Profit for the year	259,994
Dividends Paid	<u>-</u>
Balance at 31 December 2009	<u>6,651,839</u>

16 Reconciliation of movements in shareholders' funds

Group

	2009 £	2008 £
Profit for the financial year	516,724	756,040
Dividends paid	-	(5,042,864)
Other recognised gains and losses	<u>(213,741)</u>	<u>842,194</u>
Net addition to /(depletion in) shareholders' funds	302,983	(3,444,630)
Opening shareholders' funds	<u>8,456,110</u>	<u>11,900,740</u>
Closing shareholders' funds	<u>8,759,093</u>	<u>8,456,110</u>

Woodstock Neckwear Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2009

16 Reconciliation of movements in shareholders' funds (continued)

Company	2009 £	2008 £
Profit for the financial year	259,994	3,035,110
Dividends paid	-	(5,042,864)
Net addition to/ (depletion in) shareholders' funds	259,994	(2,007,754)
Opening shareholders' funds	6,591,845	8,599,599
Closing shareholders' funds	6,851,839	6,591,845

17 Financial commitments

At 31 December 2008 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2009 £	2008 £	2009 £	2008 £
Expiry date				
Within one year	53,362	-	10,788	-
Between two and five years	123,967	142,216	-	10,788
After 5 years	9,000	9,000	-	-
	186,329	151,216	10,788	10,788

18 Directors' emoluments

	2009 £	2008 £
Emoluments for qualifying services	142,500	198,536

19 Employees

Number of employees

The average monthly number of employees during the year was

	2009 Number	2008 Number
Distribution	66	67
Sales	13	15
Administration	23	22
	102	104

Woodstock Neckwear Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

19 Employees (continued)

Employment costs

	2009 £	2008 £
Wages and salaries	1,328,235	1,416,828
Social security costs	265,973	112,198
Other pension costs	55,351	115,325
	<u>1,649,559</u>	<u>1,644,351</u>

20 Control

The ultimate holding company is Randa Corp, which is incorporated in the United States of America under the laws of the State of New Jersey. H Spiegel owns 93.5% of the share capital of Randa Corp.

21 Related party transactions

Woodstock Neckwear Limited provides management services to Randa UK Limited and Randa Luggage UK Limited. Randa UK Limited and Randa Luggage UK Limited are both incorporated in England and Wales and are owned by Randa UK Holdings LLC, a company incorporated in the United States of America. Randa UK Holdings LLC is controlled by J Spiegel, who is also a director of Woodstock Neckwear Limited. During the year, management services amounting to £693,398 (2008 £833,162) were provided to Randa UK Limited. At the year-end, Randa UK Limited owed Woodstock Neckwear Limited £260,890 (2008 £740,434). This is included within other debtors in note 10. Interest of £7,274 was received in the year on the related party balance.

During the year, management services amounting to £141,767 (2008 £78,081) were provided to Randa Luggage UK Limited. At the year end Randa Luggage UK Limited owed Woodstock Neckwear Limited £15,886 (2008 £68,835). This is included within other debtors in note 10. Interest of £464 was received in the year on the related party balance.

Woodstock Neckwear Limited provided a loan to Randa Luggage UK Limited. £500,000 of this loan was outstanding at 31 December 2009 and is included in other debtors in note 10. Interest of £15,417 was received in the year on this related party loan.

Transactions with other group companies

	Relationship	Transactions	Value £	2009 Balance due (to)/from £	Value £	2008 Balance due (to)/from £
Randa Corp	Parent Co	Management Fee Sales	121,875	(121,875)	136,794 886,359	(136,794) 75,663
Randa International SPA	Group Company	Purchases Sales	103,145 -	(196,198) -	294,231 -	(219,506) -
Randa Accessories Hong Kong Limited	Group Company	Purchases Sales	2,667,389 141,943	(383,087) 33,715	2,304,566 102,343	(337,593) 35,810
Randa Canada Limited	Group company	Sales	-	-	51,894	284