

Woodstock Neckwear Limited and Subsidiary

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended

31 December 2007



Company Registration No 02840222

Woodstock Neckwear Limited and Subsidiary

ANNUAL REPORT AND FINANCIAL STATEMENTS

Contents	Page
Officers and Professional Advisors	1
Directors' report	2
Independent auditors' report	4
Consolidated profit and loss account	5
Statement of recognised gains and losses	6
Balance sheets	7
Consolidated cash flow statement	8
Notes to the consolidated cash flow statement	9
Notes to the financial statements	10

Woodstock Neckwear Limited and Subsidiary

DIRECTORS AND ADVISERS

DIRECTORS

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

SECRETARY

Purple Venture Secretaries Limited

COMPANY NUMBER

2840222

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

SOLICITORS

Piper Smith Watton
31 Warwick Square
London
SW1V 2AF

BUSINESS ADDRESS

Telford Road
Eastfield Estate
Glenrothes
Fife
KY7 4NX

Woodstock Neckwear Limited and Subsidiary

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

The directors present their report and financial statements for the year ended 31 December 2007

DIRECTORS

The following directors have held office since 1 January 2007

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 Company made a pre-tax profit of £1,991,813 on turnover of £11,918,423 for the ended 31st December 2007. This success reflects the continued efforts to provide our customers with compelling product whilst controlling costs.

The principal risks and uncertainties facing the company 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.

The directors do not recommend payment of an ordinary dividend.

DIRECTORS' INTERESTS

The directors' interests in the shares of the company were as stated below.

	Ordinary Shares of £1 each	
	At 31 December 2007	At 1 January 2007
J Spiegel (USA)	-	-
B Kovaly (USA)	-	-
J Hastings (USA)	-	-

The directors did not have any beneficial interests in the shares of the company.

The directors' interests in the shares of the holding company are disclosed in the accounts of that company.

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 have 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.

Woodstock Neckwear Limited and Subsidiary

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Baker Tilly UK Audit LLP be reappointed as auditors of the Company will be put to the Annual General Meeting

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 1985. 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.

On behalf of the board



J Spiegel (USA)
Director

Date 11/4/08 2008

Woodstock Neckwear Limited and Subsidiary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 17

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

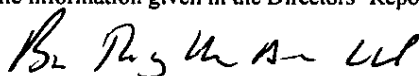
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and parent company's affairs as at 31 December 2007 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.



BAKER TILLY UK AUDIT LLP

Registered Auditors
Chartered Accountants

First Floor, Quay 2
139 Fountainbridge

Edinburgh

EH3 9QG

25/4/08 2008

Woodstock Neckwear Limited and Subsidiary
CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2007

	<i>Notes</i>	2007 £	2006 £
TURNOVER	2	11,918,423	12,194,012
Cost of sales		<u>(6,955,888)</u>	<u>(7,041,180)</u>
Gross profit		4,962,535	5,152,832
Distribution costs		(2,475,042)	(2,462,989)
Administrative expenses		(948,844)	(795,329)
Other operating income		<u>14,625</u>	<u>24,245</u>
OPERATING PROFIT	3	1,553,274	1,918,759
Profit on disposals of fixed assets		(2,129)	15,473
Other interest receivable and similar income	4	<u>440,668</u>	<u>305,261</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,991,813	2,239,493
Tax on profit on ordinary activities	5	<u>(491,133)</u>	<u>(544,624)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	15	<u>1,500,680</u>	<u>1,694,869</u>

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

Woodstock Neckwear Limited and Subsidiary
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 December 2007

	2007 £	2006 £
Profit for the financial year	1,500,680	1,694,869
Current translation differences on foreign currency net investments	153,873	(209,129)
Total recognised gains and losses relating to the year	1,654,553	1,485,740


Woodstock Neckwear Limited and Subsidiary

BALANCE SHEETS

As at 31 December 2007

		Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
	Notes				
Fixed Assets					
Tangible assets	7	390,930	451,465	277,873	324,621
Investments	8	17,536	17,536	150,162	150,162
		<u>408,466</u>	<u>469,001</u>	<u>428,035</u>	<u>474,783</u>
Current Assets					
Stocks	9	586,615	473,643	582,156	473,383
Debtors	10	3,108,850	3,490,070	2,478,273	2,786,449
Cash at bank and in hand		10,941,031	9,560,716	7,171,077	6,012,212
		<u>14,636,496</u>	<u>13,524,429</u>	<u>10,231,506</u>	<u>9,272,044</u>
Creditors					
Amounts falling due within one year	11	(3,092,373)	(3,668,134)	(2,008,093)	(1,934,892)
Net Current Assets		<u>11,544,123</u>	<u>9,856,295</u>	<u>8,223,413</u>	<u>7,337,152</u>
Total Assets less Current Liabilities		<u>11,952,589</u>	<u>10,325,296</u>	<u>8,651,448</u>	<u>7,811,935</u>
Provisions for liabilities and charges					
Deferred taxation	12	12,067	38,497	12,067	38,497
Government Grants	13	39,782	43,254	39,782	43,254
		<u>11,900,740</u>	<u>10,243,545</u>	<u>8,599,599</u>	<u>7,730,184</u>
Capital and Reserves					
Called up share capital	14	200,000	200,000	200,000	200,000
Other reserves	15	56,866	54,224	-	-
Profit and loss account	15	11,643,874	9,989,321	8,399,599	7,530,184
Shareholders' Funds	16	<u>11,900,740</u>	<u>10,243,545</u>	<u>8,599,599</u>	<u>7,730,184</u>

The financial statements were approved by the board on 11/4/08 and are signed on their behalf and authorised for issue by


J Spiegel (USA)
Director

Date 11/4/08 2008

Woodstock Neckwear Limited and Subsidiary
CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2007

	2007		2006	
	£	£	£	£
Net cash inflow from operating activities		1,690,197		2,489,175
Returns on investments and servicing of finance				
Interest received	440,668		305,261	
Interest paid	<u>-</u>		<u>-</u>	
Net cash inflow from returns on investments and servicing of finance		440,668		305,261
Taxation		(688,099)		(489,643)
Capital expenditure				
Payments to acquire tangible assets	(62,451)		(75,618)	
Receipts from sales of tangible assets	<u>-</u>		<u>15,835</u>	
Net cash outflow from capital expenditure		(62,451)		(59,783)
Increase in cash in the year		<u>1,380,315</u>		<u>2,245,010</u>

Woodstock Neckwear Limited and Subsidiary
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2007

1 Reconciliation of operating profit to net cash inflow from operating activities		2007	2006
		£	£
Operating profit		1,553,274	1,918,759
Depreciation of tangible assets		124,906	123,419
Amortisation of grants		(3,472)	(3,846)
(Increase)/decrease in stocks		(112,784)	266,943
Decrease/(Increase) in debtors		409,586	(347,442)
(Decrease)/Increase in creditors		(507,039)	773,842
Net effect of foreign exchange differences		225,726	(242,500)
Net cash inflow from operating activities		1,690,197	1,357,992

2 Analysis of net funds		1 January 2007	Cash flow	Other non-cash changes	31 December 2007
		£	£	£	£
Cash at bank and in hand		9,560,716	1,380,315	-	10,941,031

3 Reconciliation of net cash flow to movement in net funds		2007	2006
		£	£
Increase in cash in the year		1,380,315	2,245,010
Movement in net funds in the year		1,380,315	2,245,010
Opening net funds		9,560,716	7,315,706
Closing net funds		10,941,031	9,560,716

Woodstock Neckwear Limited and Subsidiary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

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 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2007. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.3 Turnover

Turnover shown in the profit and loss account represents amounts received and receivable during the year, exclusive of value added tax.

1.4 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:

Long leasehold property	4% straight line
Long leasehold property improvements	20% straight line, 25% reducing balance
Plant and machinery	25% reducing balance
Office equipment	20 - 33 3% straight line, 25% reducing balance
Motor vehicles	20% straight line

1.5 Leasing

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

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock

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

1.8 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.

1.9 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Recognition of deferred tax asset is limited to the extent the company anticipates making sufficient taxable profits in the future to absorb. The deferred tax balance has not been discounted.

1.10 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.

Woodstock Neckwear Limited and Subsidiary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

1. Accounting Policies (continued)

1.1 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

	2007 £	2006 £
Operating profit is stated after charging/(crediting)		
Depreciation of tangible assets	124,906	123,419
Grant released	(3,472)	(3,846)
Operating lease rentals	51,474	50,635
Auditors' remuneration - audit	13,961	12,570
- other services	2,718	3,500
Loss/(gain) on foreign exchange transactions	117,651	(29,260)

4 Interest Receivable

	2007 £	2006 £
Bank interest receivable	397,808	259,051
Interest from related undertakings	42,860	46,210
	440,668	305,261

5 Taxation

	2007 £	2006 £
Domestic current year tax		
UK corporation tax	406,163	431,162
Foreign corporation tax		
Foreign corporation tax	111,400	119,978
Total current tax	517,563	551,140
Current movement on deferred tax	(26,430)	(6,516)
Tax charge	491,133	544,624

Woodstock Neckwear Limited and Subsidiary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

5 Taxation (continued)

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 30% (2006- 30%)

	2007 £	2006 £
Profit on ordinary activities before taxation	1,991,813	2,239,494
Profit on ordinary activities multiplied by rate of tax	597,543	671,848
Effect of tax on profits outwith the UK (China tax rate 15%)	(111,400)	(128,646)
Expenses not deductible for taxation	5,320	1,422
Capital allowances for period in excess of depreciation	11,810	7,807
Origination and reversal of timing differences	14,290	(1,291)
Total current tax	517,563	551,140

6 Profit for the Financial Year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows

	2007 £	2006 £
Holding company's profit for the financial year	869,415	986,098

7 Tangible Fixed Assets

Group

	Long Leasehold Property £	Long Leasehold Property Improvements £	Office Equipment & Motor Vehicles £	Total £
Cost				
At 1 January 2007	268,082	172,723	584,139	1,024,944
Additions	-	9,748	52,703	62,451
Disposals	-	-	(63,671)	(63,671)
Exchange differences	-	436	9,336	9,772
At 31 December 2007	268,082	182,907	582,507	1,033,496
Depreciation				
At 1 January 2007	98,044	126,045	349,390	573,479
Charge for the year	10,723	15,504	98,679	124,906
On disposals	-	-	(60,250)	(60,250)
Exchange differences	-	322	4,109	4,431
At 31 December 2007	108,767	141,871	391,928	642,566
Net book value				
At 31 December 2007	159,315	41,036	190,579	390,930
At 31 December 2006	170,038	46,678	234,749	451,465

Woodstock Neckwear Limited and Subsidiary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

7 Tangible Fixed Assets (continued)

Company	Long Leasehold Property £	Plant and Machinery £	Leasehold Property Improvements £	Total £
Cost				
At 1 January 2007	268,082	414,787	148,331	831,200
Additions	-	39,592	3,460	43,052
Disposals	-	(50,751)	-	(50,751)
At 31 December 2007	268,082	403,628	151,791	823,501
Depreciation				
At 1 January 2007	98,044	284,869	123,666	506,579
Charge for the year	10,723	68,422	8,526	87,671
On disposals	-	(48,622)	-	(48,622)
At 31 December 2007	108,767	304,669	132,192	545,628
Net book value				
At 31 December 2007	159,315	98,959	19,599	277,873
At 31 December 2006	170,038	129,918	24,665	324,621

8 Fixed Asset Investments

Group	Unlisted Investments £	Total £
Cost		
At 1 January 2007 and at 31 December 2007	17,536	17,536

Company	Unlisted Investments £	Shares in group Undertakings £	Total £
Cost			
At 1 January 2007 and at 31 December 2007	17,536	132,626	150,162

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings 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 undertakings			
Randa Shanghai Limited	Peoples Rep of China	Ordinary	100
Participating interests			
YouYou Neckwear (Shengzou) Limited	Peoples Rep of China	Ordinary	25

Woodstock Neckwear Limited and Subsidiary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

8 Fixed Asset Investments (continued)

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. The results of Randa Shanghai Limited are consolidated in these financial statements.

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital & Reserves 2007 £	Profit for the year 2007 £
Randa Shanghai Limited	3,433,767	631,265
YouYou Neckwear (Shengzou) Limited	<u>93,698</u>	<u>41,844</u>

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

9 Stocks

	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Raw materials and consumables	51,960	24,968	47,501	24,708
Finished goods and goods for resale	<u>534,655</u>	<u>448,675</u>	<u>534,655</u>	<u>448,675</u>
	<u>586,615</u>	<u>473,643</u>	<u>582,156</u>	<u>473,383</u>

10 Debtors

	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Trade debtors	1,825,428	2,339,242	1,284,380	1,754,328
Amounts owed by group undertakings	-	-	33,636	37,738
Other debtors	<u>1,228,796</u>	<u>1,089,398</u>	<u>1,117,862</u>	<u>943,436</u>
Prepayments and accrued income	54,626	61,430	42,395	50,947
	<u>3,108,850</u>	<u>3,490,070</u>	<u>2,478,273</u>	<u>2,786,449</u>

11 Creditors: amounts falling due within one year

	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Trade creditors	1,447,671	2,202,981	107,557	159,249
Amounts owed to group undertakings	-	-	390,778	365,562
Corporation tax	<u>218,744</u>	<u>338,653</u>	<u>196,163</u>	<u>310,976</u>
Taxes and social security costs	165,637	214,443	165,637	214,443
Other creditors	531,042	203,759	432,312	150,927
Accruals and deferred income	<u>729,279</u>	<u>708,298</u>	<u>715,646</u>	<u>733,735</u>
	<u>3,092,373</u>	<u>3,668,134</u>	<u>2,008,093</u>	<u>1,934,892</u>

Woodstock Neckwear Limited and Subsidiary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

12 Deferred taxation – Group and Company

The movement in the deferred taxation provision during the year was

	2007 £	2006 £
Provision brought forward	38,497	45,013
Profit and loss account movement arising during the year	(26,430)	(6,516)
Provision carried forward	<u>12,067</u>	<u>38,497</u>

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

	2007 £	2006 £
Excess of taxation allowances over depreciation on fixed assets	27,469	52,588
Capital grant and pension accrual	(15,402)	(14,091)
	<u>12,067</u>	<u>38,497</u>

13 Government Grants

Group and Company

	Government Grants £
Balance at 1 January 2007	43,254
Amortisation in the year	<u>(3,472)</u>
Balance at 31 December 2007	<u>39,782</u>

14 Share capital

	2007 £	2006 £
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 2007	54,224	9,989,321
Retained profit for the year	-	1,500,680
Foreign currency translation differences	<u>2,642</u>	<u>153,873</u>
Balance at 31 December 2007	<u>56,866</u>	<u>11,643,874</u>

Woodstock Neckwear Limited and Subsidiary
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2007

15 Statement of movements on reserves (continued)

Company	Profit and Loss account £
Balance at 1 January 2007	7,530,184
Retained profit for the year	<u>869,415</u>
Balance at 31 December 2007	<u>8,399,599</u>

16 Reconciliation of movements in shareholders' funds

Group	2007 £	2006 £
Profit for the financial year	1,500,680	1,694,869
Other recognised gains and losses	<u>156,515</u>	<u>(214,255)</u>
Net addition to shareholders' funds	1,657,195	1,480,614
Opening shareholders' funds	<u>10,243,545</u>	<u>8,762,931</u>
Closing shareholders' funds	<u>11,900,740</u>	<u>10,243,545</u>
Company	2007 £	2006 £
Profit for the financial year	869,415	986,098
Opening shareholders' funds	<u>7,730,184</u>	<u>6,744,086</u>
Closing shareholders' funds	<u>8,599,599</u>	<u>7,730,184</u>

17 Financial commitments

At 31 December 2007 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
Expiry date	2007 £	2006 £	2007 £	2006 £
Within one year	-	-	26,682	24,070
Between two and five years	99,750	99,750	38,397	13,195
After 5 years	9,000	9,000	17,256	-
	<u>108,750</u>	<u>108,750</u>	<u>82,335</u>	<u>37,265</u>

18 Directors' emoluments

	2007 £	2006 £
Emoluments for qualifying services	<u>210,874</u>	<u>312,526</u>

Woodstock Neckwear Limited and Subsidiary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

18 Directors' emoluments (continued)

Highest paid director

	2007 £	2006 £
Emoluments for qualifying services	<u>122,338</u>	<u>161,206</u>

19 Employees

Number of employees

The average monthly number of employees during the year was

	2007 Number	2006 Number
Distribution	69	69
Sales	12	12
Administration	<u>17</u>	<u>17</u>
	<u>98</u>	<u>98</u>

Employment costs

	£	£
Wages and salaries	1,499,067	1,343,422
Social security costs	110,577	111,038
Other pension costs	<u>106,976</u>	<u>67,606</u>
	<u>1,716,619</u>	<u>1,522,066</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. Randa UK Limited is incorporated in England and Wales and is 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 £864,208 (2006: £854,288) were provided to Randa UK Limited. At the year-end, Randa UK Limited owed Woodstock Neckwear Limited £1,033,494 (2006: £934,436). This is included within other debtors in note 10.
- The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated accounts are prepared by the ultimate holding company.