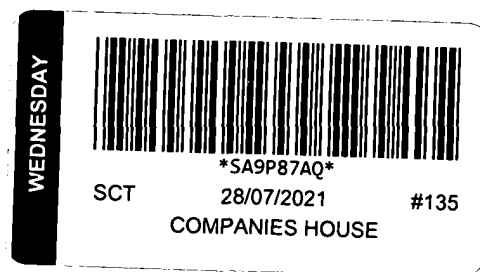


Company Registration No. 02840222 (England and Wales)

Randa Accessories UK Limited

Annual report and consolidated financial statements

for the year ended 31 December 2020



Randa Accessories UK Limited

Company information

Directors	J Spiegel H Golden E Turner	(Appointed 15 June 2020) (Appointed 15 June 2020)
Secretary	Purple Venture Secretaries Limited	
Company number	02840222	
Registered office	12th Floor Capital House 25 Chapel Street London NW1 5DH	
Auditor	MHA Henderson Loggie The Vision Building 20 Greenmarket Dundee DD1 4QB	
Business address	Eastfield Industrial Estate Glenrothes Fife KY7 4NX	
Bankers	Royal Bank of Scotland 3 Falkland Gate Kingdom Centre Glenrothes KY7 5NS	

Randa Accessories UK Limited

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Randa Accessories UK Limited

Strategic report

for the year ended 31 December 2020

The directors present the strategic report for the year ended 31 December 2020.

Fair review of the business

The group made a pre-tax loss of £313,332 (2019: loss of £76,964) on turnover of £2,398,806 (2019: £5,178,415) for the year ended 31 December 2020. The decrease in turnover has been driven by the COVID-19 crisis with retail lockdowns restricting sales. The increase in loss is consequently impacted by the decrease in turnover while category margin % is relatively consistent, the lower unit volumes drive lower cash margin.

Despite the difficult trading conditions and uncertain outlook, Randa has strong cash reserves to ensure it remains financially strong even on a lower volume base, and in a good position when retail restrictions are lifted.

Principal risks and uncertainties

COVID-19 is a current and future risk, lockdowns of the retail environment and the uncertainty about people's ability to travel freely are having and will continue to have an impact on retail sales.

The UK retail sector also provides uncertainty, major retailers in 2020 have got into financial trouble and there will continue to be speculation on major retailers in 2021. The company mitigates this risk in terms of carrying credit insurance, which limits any financial loss but is limited in that it cannot replace any customers' turnover.

Brexit is a continuing uncertainty and the impact on imports and freight rates make product costing and certainty of shipments difficult.


Development and performance

The directors expect the market place in the year to 31 December 2021 to continue to be very tough. However great design, strong licences and good working customer relations will continue to put us in a strong position.

Key performance indicators

In the opinion of the directors, at a group level the main performance indicator is to ensure the business continues to be profitable overall. The directors consider the key performance indicators of customer and category turnover and net margin, whilst maintaining operating costs within a range of sales.

On behalf of the board


Jeffrey Spiegel - 2021-04-01, 14:43:10 UTC

J Spiegel
Director

.....

Randa Accessories UK Limited

Directors' report

for the year ended 31 December 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities

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

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid or proposed.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J Spiegel	
B Kovaly	(Resigned 15 June 2020)
J Hastings	(Resigned 15 June 2020)
H Golden	(Appointed 15 June 2020)
E Turner	(Appointed 15 June 2020)

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Strategic report

Included within the strategic report is an indication of the principal risks and uncertainties including the risks associated with the market conditions, competition and legislative and compliance risks.

On behalf of the board


Jeffrey Spiegel - 2021-04-01, 14:43:10 UTC

J Spiegel
Director

Date:

Randa Accessories UK Limited

Directors' responsibilities statement

for the year ended 31 December 2020

The directors are responsible for preparing the Annual 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). 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 group and company, and of the profit or loss of the group 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

to the Members of Randa Accessories UK Limited
Randa Accessories UK Limited

Independent auditor's report

to the Members of Randa Accessories UK Limited

Opinion

We have audited the financial statements of Randa Accessories UK Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2020 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

to the Members of Randa Accessories UK Limited
Randa Accessories UK Limited

Independent auditor's report (continued)

to the Members of Randa Accessories UK Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- 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 the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent 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.

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

to the Members of Randa Accessories UK Limited
Randa Accessories UK Limited

Independent auditor's report (continued)

to the Members of Randa Accessories UK Limited

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Discussion with management regarding processes and procedures to manage and mitigate health and safety risks;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to stock and bad debt provisions; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the company and group operates, we identified the following areas as those most likely to have a material impact on the financial statements: health and safety; employment law (including the Working Time Directive); anti-bribery and corruption; and compliance with the UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Gavin Black - 2021-04-01, 14:57:06 UTC

Gavin Black (Senior Statutory Auditor)
For and on behalf of MHA Henderson Loggie

Chartered Accountants
Statutory Auditor

The Vision Building
20 Greenmarket
Dundee
DD1 4QB

MHA Henderson Loggie is a trading name of Henderson Loggie LLP.

Randa Accessories UK Limited

Group statement of comprehensive income

for the year ended 31 December 2020

	Notes	2020 £	2019 £
Turnover	3	2,398,806	5,178,415
Cost of sales		(1,629,166)	(3,634,447)
Gross profit		769,640	1,543,968
Distribution costs		(738,030)	(890,714)
Administrative expenses		(721,449)	(806,455)
Other operating income		222,950	3,475
Operating loss	4	(466,889)	(149,726)
Interest receivable and similar income	8	153,557	72,762
Loss before taxation		(313,332)	(76,964)
Tax on loss	9	61,619	16,837
Loss for the financial year	21	(251,713)	(60,127)
Other comprehensive income			
Currency translation differences		30,930	(152,578)
Total comprehensive income for the year		(220,783)	(212,705)

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Randa Accessories UK Limited

Group Balance sheet

as at 31 December 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		92,221		227,669
Current assets					
Stocks	13	429,606		498,032	
Debtors	14	6,604,448		1,253,484	
Cash at bank and in hand		4,589,775		10,328,578	
		11,623,829		12,080,094	
Creditors: amounts falling due within one year	15	(857,123)		(1,222,630)	
Net current assets			10,766,706		10,857,464
Total assets less current liabilities			10,858,927		11,085,133
Creditors: amounts falling due after more than one year	16		(3,524)		(5,873)
Provisions for liabilities					
Deferred tax liability	17	-		3,074	(3,074)
Net assets			10,855,403		11,076,186
Capital and reserves					
Called up share capital	19	200,000		200,000	
Other reserves		282,013		251,083	
Profit and loss reserves	21	10,373,390		10,625,103	
Total equity			10,855,403		11,076,186

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

Jeffrey Spiegel

Jeffrey Spiegel - 2021-04-01, 14:43:10 UTC

J Spiegel
Director

Randa Accessories UK Limited

Company Balance sheet

as at 31 December 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10	92,221		227,669	
Investments	11	132,626		132,626	
		<u>224,847</u>		<u>360,295</u>	
Current assets					
Stocks	13	429,606		498,032	
Debtors	14	5,914,551		1,250,152	
Cash at bank and in hand		3,799,670		7,423,002	
		<u>10,143,827</u>		<u>9,171,186</u>	
Creditors: amounts falling due within one year	15	(837,663)		(1,210,673)	
Net current assets		<u>9,306,274</u>		<u>7,951,513</u>	
Total assets less current liabilities		<u>9,531,121</u>		<u>8,311,808</u>	
Creditors: amounts falling due after more than one year	16	(3,524)		(5,873)	
Provisions for liabilities					
Deferred tax liability	17	-		3,074	
		<u>-</u>		<u>(3,074)</u>	
Net assets		<u>9,527,597</u>		<u>8,302,861</u>	
Capital and reserves					
Called up share capital	19	200,000		200,000	
Profit and loss reserves	21	9,327,597		8,102,861	
Total equity		<u>9,527,597</u>		<u>8,302,861</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,224,736 (2019 - £92,352 loss).

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

Jeffrey Spiegel
Jeffrey Spiegel - 2021-04-01, 14:43:10 UTC

J Spiegel
Director

Company Registration No. 02840222

Randa Accessories UK Limited

Group Statement of changes in equity

for the year ended 31 December 2020

	Share capital	Other reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 January 2019	200,000	403,661	10,685,230	11,288,891
Year ended 31 December 2019:				
Loss for the year	-	-	(60,127)	(60,127)
Other comprehensive income:				
Currency translation differences	-	-	(152,578)	(152,578)
Total comprehensive income for the year	-	-	(212,705)	(212,705)
Other movements	-	(152,578)	152,578	-
Balance at 31 December 2019	200,000	251,083	10,625,103	11,076,186
Year ended 31 December 2020:				
Loss for the year	-	-	(251,713)	(251,713)
Other comprehensive income:				
Currency translation differences	-	-	30,930	30,930
Total comprehensive income for the year	-	-	(220,783)	(220,783)
Other movements	-	30,930	(30,930)	-
Balance at 31 December 2020	200,000	282,013	10,373,390	10,855,403

Randa Accessories UK Limited

Company statement of changes in equity

for the year ended 31 December 2020

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2019	200,000	8,195,213	8,395,213
Year ended 31 December 2019:			
Loss and total comprehensive income for the year	-	(92,352)	(92,352)
Balance at 31 December 2019	200,000	8,102,861	8,302,861
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	1,224,736	1,224,736
Balance at 31 December 2020	200,000	9,327,597	9,527,597

Randa Accessories UK Limited

Group statement of cash flows

for the year ended 31 December 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25	(5,897,346)		1,003,483	
Income taxes paid		(5,835)		(3,174)	
Net cash (outflow)/inflow from operating activities		(5,903,181)		1,000,309	
Investing activities					
Purchase of tangible fixed assets		(20,376)		(34,831)	
Proceeds on disposal of tangible fixed assets		267		-	
Interest received		153,557		72,762	
Net cash generated from investing activities		133,448		37,931	
Net (decrease)/increase in cash and cash equivalents		(5,769,733)		1,038,240	
Cash and cash equivalents at beginning of year		10,328,578		9,442,916	
Effect of foreign exchange rates		30,930		(152,578)	
Cash and cash equivalents at end of year		4,589,775		10,328,578	

Randa Accessories UK Limited
Company statement of cash flows
for the year ended 31 December 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26	(5,190,274)		778,723	
Income taxes paid		(4,754)		(2,401)	
Net cash (outflow)/inflow from operating activities		(5,195,028)		776,322	
Investing activities					
Purchase of tangible fixed assets		(20,376)		(34,831)	
Proceeds on disposal of tangible fixed assets		267		-	
Interest received		94,826		27,064	
Dividends received		1,496,979		-	
Net cash generated from/(used in) investing activities		1,571,696		(7,767)	
Net (decrease)/increase in cash and cash equivalents		(3,623,332)		768,555	
Cash and cash equivalents at beginning of year		7,423,002		6,654,447	
Cash and cash equivalents at end of year		3,799,670		7,423,002	

Randa Accessories UK Limited

Notes to the Group financial statements

for the year ended 31 December 2020

1 Accounting policies

Company information

Randa Accessories UK Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 12th Floor, Capital House, 25 Chapel Street, London, NW1 5DH.

The group consists of Randa Accessories UK Limited and its subsidiary, Randa Shanghai Limited.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated financial statements incorporate those of Randa Accessories UK Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

1 Accounting policies (continued)

1.4 Going concern

The financial statements have been prepared on a going concern basis. In making their assessment, the directors have considered relevant information, including trading and cash flow forecasts and the impact of subsequent events. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on trading levels due to the restrictions that UK lockdown and social distancing measures have put on the ability of the company's customers to operate. In response to the COVID-19 pandemic, the directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19 and measures available to mitigate the impact.

Based on this assessment and having regard to the level of retained reserves, the directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the financial statements.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	4% straight line
Plant and equipment	25% straight line
Fixtures and fittings	25% straight line
Computers	33% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies (continued)

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

1 Accounting policies (continued)

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

1 Accounting policies (continued)

Classification of financial liabilities

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

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 group after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1 Accounting policies (continued)

1.13 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

1 Accounting policies (continued)

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Stock provisions

In arriving at the valuation of stock it may be necessary for management to make an assessment over the carrying value of stock items and where applicable apply a provision to amend this carrying value to a more accurate level. These provisions are arrived at using managements knowledge and understanding of the business and the industry in which it operates and focuses on potentially obsolete or old items for which the full value may no longer be recoverable.

Bad debt provision

During the course of the year and during the year end process management are required to determine whether any debts should be regarded as bad debts. This process is based on their knowledge of the business coupled with post year end information identifying debts not recovered relating to the previous financial period.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2020 £	2019 £
Turnover analysed by class of business		
Neckwear	<u>2,398,806</u>	<u>5,178,415</u>
	2020 £	2019 £
Other significant revenue		
Interest income	153,557	72,762
Grants received	<u>222,950</u>	<u>-</u>
	2020 £	2019 £
Turnover analysed by geographical market		
United Kingdom & Ireland	<u>2,398,806</u>	<u>5,178,415</u>

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

4 Operating loss

	2020 £	2019 £
Operating loss for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	25,396	49,271
Government grants	(222,950)	-
Depreciation of owned tangible fixed assets	155,496	154,561
Loss on disposal of tangible fixed assets	61	-
Operating lease charges	145,799	222,587
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	10,950	12,500
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2020 Number	2019 Number
Distribution	18	17
Sales	16	17
Admin	17	18
Total	<u>51</u>	<u>52</u>

Their aggregate remuneration comprised:

	Group 2020 £	2019 £
Wages and salaries	1,477,763	1,911,185
Social security costs	144,634	207,339
Pension costs	126,701	161,465
	<u>1,749,098</u>	<u>2,279,989</u>
Redundancy payments made or committed	<u>99,375</u>	<u>-</u>

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

6 Employees (continued)

Included in the above remuneration is £767,441 (2019 - £1,075,340) recharged to Randa UK Limited, a related company, for employees utilised in its business.

7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	<u>193,411</u>	<u>195,717</u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 0 (2019 - 0).

The directors are deemed to be the Key Management Personnel.

8 Interest receivable and similar income

	2020 £	2019 £
Interest income		
Interest on bank deposits	48,373	65,459
Interest receivable from group companies	<u>105,184</u>	<u>7,303</u>
Total income	<u>153,557</u>	<u>72,762</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>153,557</u>	<u>72,762</u>
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9 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	-	4,754
Adjustments in respect of prior periods	<u>(4,754)</u>	<u>-</u>
Total UK current tax	<u>(4,754)</u>	<u>4,754</u>
Foreign current tax on profits for the current period	<u>1,081</u>	<u>773</u>
Total current tax	<u>(3,673)</u>	<u>5,527</u>
Deferred tax		
Origination and reversal of timing differences	<u>(57,946)</u>	<u>(22,364)</u>
Total tax credit	<u>(61,619)</u>	<u>(16,837)</u>

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

9 Taxation (continued)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Loss before taxation	<u>(313,332)</u>	<u>(76,964)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19% (2019: 19%)	(59,533)	(14,623)
Tax effect of expenses that are not deductible in determining taxable profit	342	201
Effect of change in corporation tax rate	362	2,631
Effect of overseas tax rates	(3,025)	(5,497)
Other short term timing differences	235	451
Taxation credit	<u>(61,619)</u>	<u>(16,837)</u>

10 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 January 2020	572,452	21,476	140,605	380,865	8,900	1,124,298
Additions	13,867	-	4,951	1,558	-	20,376
Disposals	-	-	(658)	(1,040)	-	(1,698)
At 31 December 2020	<u>586,319</u>	<u>21,476</u>	<u>144,898</u>	<u>381,383</u>	<u>8,900</u>	<u>1,142,976</u>
Depreciation and impairment						
At 1 January 2020	526,810	12,236	125,778	229,765	2,040	896,629
Depreciation charged in the year	27,057	3,397	9,444	113,373	2,225	155,496
Eliminated in respect of disposals	-	-	(628)	(742)	-	(1,370)
At 31 December 2020	<u>553,867</u>	<u>15,633</u>	<u>134,594</u>	<u>342,396</u>	<u>4,265</u>	<u>1,050,755</u>
Carrying amount						
At 31 December 2020	<u>32,452</u>	<u>5,843</u>	<u>10,304</u>	<u>38,987</u>	<u>4,635</u>	<u>92,221</u>
At 31 December 2019	<u>45,642</u>	<u>9,240</u>	<u>14,827</u>	<u>151,100</u>	<u>6,860</u>	<u>227,669</u>

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

10 Tangible fixed assets (continued)

Company	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2020	572,452	21,476	140,605	380,865	8,900	1,124,298
Additions	13,867	-	4,951	1,558	-	20,376
Disposals	-	-	(658)	(1,040)	-	(1,698)
At 31 December 2020	586,319	21,476	144,898	381,383	8,900	1,142,976
Depreciation and impairment						
At 1 January 2020	526,810	12,236	125,778	229,765	2,040	896,629
Depreciation charged in the year	27,057	3,397	9,444	113,373	2,225	155,496
Eliminated in respect of disposals	-	-	(628)	(742)	-	(1,370)
At 31 December 2020	553,867	15,633	134,594	342,396	4,265	1,050,755
Carrying amount						
At 31 December 2020	32,452	5,843	10,304	38,987	4,635	92,221
At 31 December 2019	45,642	9,240	14,827	151,100	6,860	227,669

11 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	12	-	-	132,626	132,626

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 1 January 2020 and 31 December 2020	132,626
Carrying amount	
At 31 December 2020	132,626
At 31 December 2019	132,626

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Randa Shanghai Limited	China	International trade consultants	Ordinary	100.00

13 Stocks

	Group 2020 £	2019 £	Company 2020 £	2019 £
Finished goods and goods for resale	<u>429,606</u>	<u>498,032</u>	<u>429,606</u>	<u>498,032</u>

14 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	498,611	770,492	498,611	770,492
Corporation tax recoverable	4,754	-	4,754	-
Other debtors	5,934,632	414,681	5,246,458	412,936
Prepayments and accrued income	111,579	68,311	109,856	66,724
	<u>6,549,576</u>	<u>1,253,484</u>	<u>5,859,679</u>	<u>1,250,152</u>
Deferred tax asset (note 17)	54,872	-	54,872	-
	<u>6,604,448</u>	<u>1,253,484</u>	<u>5,914,551</u>	<u>1,250,152</u>

15 Creditors: amounts falling due within one year

	Group 2020 £	2019 £	Company 2020 £	2019 £
Trade creditors	170,581	179,179	170,581	179,179
Amounts owed to group undertakings	26,775	119,248	26,775	119,248
Corporation tax payable	-	4,754	-	4,754
Other taxation and social security	48,761	52,609	48,648	52,609
Other creditors	32,887	202,605	32,887	202,605
Accruals and deferred income	578,119	664,235	558,662	661,278
	<u>857,123</u>	<u>1,222,630</u>	<u>837,553</u>	<u>1,219,673</u>

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

16 Creditors: amounts falling due after more than one year

	Group		Company	
	2020	2019	2020	2019
Notes	£	£	£	£
Government grants	3,524	5,873	3,524	5,873

The company and group received a grant from the government for the purchase of a land lease.

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities	Liabilities	Assets	Assets
	2020	2019	2020	2019
Group	£	£	£	£
Accelerated capital allowances	-	13,981	4,687	-
Other timing differences	-	(10,907)	50,185	-
	-	3,074	54,872	-

	Liabilities	Liabilities	Assets	Assets
	2020	2019	2020	2019
Company	£	£	£	£
Accelerated capital allowances	-	13,981	4,687	-
Other timing differences	-	(10,907)	50,185	-
	-	3,074	54,872	-

	Group	Company
	2020	2020
	£	£
Movements in the year:		
Liability at 1 January 2020	3,074	3,074
Credit to profit or loss	(57,946)	(57,946)
Asset at 31 December 2020	(54,872)	(54,872)

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

18 Retirement benefit schemes

	2020	2019
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	126,701	161,465

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Included in the above is £49,779 (2019 - £63,688) recharged to Randa UK Limited, a related company, for employees utilised in its business.

19 Share capital

	2020	2019	2020	2019
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	200,000	200,000	200,000	200,000

Each ordinary share carries one vote and is entitled to participate pari passu with other ordinary shares in any dividend or capital distribution.

20 Other reserves

Other reserves include all current and prior period gains and losses on translation of the foreign subsidiary for consolidation purposes.

21 Profit and loss reserves

Profit and loss reserves include all current and prior period retained profits and losses.

22 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Within one year	162,406	273,812	162,406	273,812
Between two and five years	44,333	196,428	44,333	196,428
In over five years	401,250	410,250	401,250	410,250
	607,989	880,490	607,989	880,490

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

23 Related party transactions

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Sales		Purchases	
	2020	2019	2020	2019
	£	£	£	£
Group				
Other related parties	<u>11,094</u>	<u>13,453</u>	<u>1,288,235</u>	<u>3,457,967</u>
Company				
Other related parties	<u>11,094</u>	<u>13,453</u>	<u>1,288,235</u>	<u>3,457,967</u>
	Management charges paid / (receivable)		Interest	
	2020	2019	2020	2019
	£	£	£	£
Group				
Entities with control, joint control or significant influence over the company	200,000	205,697	-	-
Other related parties	<u>(1,231,528)</u>	<u>(1,643,011)</u>	<u>105,184</u>	<u>7,303</u>
Company				
Entities with control, joint control or significant influence over the company	200,000	205,697	-	-
Other related parties	<u>(1,231,528)</u>	<u>(1,643,011)</u>	<u>90,063</u>	<u>7,303</u>

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2020	2019
	£	£
Group		
Other related parties	<u>59,662</u>	<u>321,852</u>
Company		
Other related parties	<u>59,662</u>	<u>321,852</u>

Randa Accessories UK Limited**Notes to the Group financial statements (continued)****for the year ended 31 December 2020****23 Related party transactions (continued)**

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2020 Balance £	2019 Balance £
Group		
Other related parties	<u>5,933,902</u>	<u>381,748</u>
Company		
Other related parties	<u>5,245,728</u>	<u>381,748</u>

24 Controlling party

The ultimate controlling company is Randa Corp, which is incorporated in the United States of America, H Spiegel owns 88% of the share capital of Randa Corp. The group is both the largest and smallest group of undertakings including Randa Accessories UK Limited for which consolidated accounts are drawn up.

25 Cash (absorbed by)/generated from group operations

	2020 £	2019 £
Loss for the year after tax	(251,713)	60,127
Adjustments for:		
Taxation credited	(61,619)	(16,837)
Investment income	(153,557)	(72,762)
Loss on disposal of tangible fixed assets	61	-
Depreciation and impairment of tangible fixed assets	155,496	154,561
Movements in working capital:		
Decrease/(increase) in stocks	68,426	(27,836)
(Increase)/decrease in debtors	(5,291,338)	793,688
(Decrease)/increase in creditors	(360,753)	235,146
Decrease in deferred income	(2,349)	(2,350)
Cash (absorbed by)/generated from operations	<u>(5,897,346)</u>	<u>1,003,483</u>

Randa Accessories UK Limited

Notes to the Group financial statements (continued)

for the year ended 31 December 2020

26 Cash (absorbed by)/generated from operations - company

	2020 £	2019 £
Profit/(loss) for the year after tax	1,224,736	92,352
Adjustments for:		
Taxation credited	(62,700)	(17,610)
Investment income	(1,591,805)	(27,064)
Loss on disposal of tangible fixed assets	61	-
Depreciation and impairment of tangible fixed assets	155,496	154,561
Movements in working capital:		
Decrease/(increase) in stocks	68,426	(27,836)
(Increase)/decrease in debtors	(4,604,773)	556,071
(Decrease)/increase in creditors	(377,366)	235,303
Decrease in deferred income	(2,349)	(2,350)
Cash (absorbed by)/generated from operations	(5,190,274)	778,723

27 Analysis of changes in net funds - group

	1 January 2020 £	Cash flows £	Exchange rate movements £	31 December 2020 £
Cash at bank and in hand	10,328,578	(5,769,733)	30,930	4,589,775

28 Analysis of changes in net funds - company

	1 January 2020 £	Cash flows £	31 December 2020 £
Cash at bank and in hand	7,423,002	(3,623,332)	3,799,670