

Kusch & Co Limited
Filleted Unaudited Accounts
31 December 2020



Kusch & Co Limited

Accounts

Year ended 31 December 2020

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Kusch & Co Limited

Statement of Financial Position

31 December 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	5		4,732		11,805
Current assets					
Work in progress		175		7,226	
Debtors	6	257,669		309,145	
Cash at bank and in hand		11,188		101,345	
		<u>269,032</u>		<u>417,716</u>	
Creditors: amounts falling due within one year	7	<u>(800,195)</u>		<u>(739,687)</u>	
Net current liabilities			<u>(531,163)</u>		<u>(321,971)</u>
Total assets less current liabilities			<u>(526,431)</u>		<u>(310,166)</u>
Financed by:					
Amounts owed to group undertakings and undertakings in which the company has a participating interest			<u>(760,458)</u>		<u>(682,519)</u>
Net liabilities			<u>(1,286,889)</u>		<u>(992,685)</u>
Capital and reserves					
Called up share capital			20,000		20,000
Profit and loss account			<u>(1,306,889)</u>		<u>(1,012,685)</u>
Total financing			<u>(1,286,889)</u>		<u>(992,685)</u>

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The statement of financial position
continues on the following page.
The notes on pages 3 to 7 form part of these accounts.

Kusch & Co Limited

Statement of Financial Position *(continued)*

31 December 2020

These accounts were approved by the board of directors and authorised for issue on 23/09/2021 ,
and are signed on behalf of the board by:

C J Abeydeera

C J Abeydeera
Director

Company registration number: 02300631

The notes on pages 3 to 7 form part of these accounts.

Kusch & Co Limited

Notes to the Accounts

Year ended 31 December 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 48-50 St John Street, London, EC1M 4DG

2. Statement of compliance

These accounts have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements have been prepared on a going concern basis. The company has taken advantage of Part A, section 479 of The Companies Act 2016, in which the ultimate parent company, Nowy Styl Sp. z o.o, has guaranteed all outstanding liabilities of the company as at the balance sheet date.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Kusch & Co Limited

Notes to the Accounts *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Sample Stock	- 33% straight line
Fixtures & Fittings	- 33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Kusch & Co Limited

Notes to the Accounts *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Defined contribution plans

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 3 (2019: 4).

5. Tangible assets

	Sample stock £	Fixtures and fittings £	Total £
Cost			
At 1 January 2020	105,933	433,306	539,239
Additions	1,661	1,509	3,170
Disposals	(2,139)	—	(2,139)
At 31 December 2020	105,455	434,815	540,270
Depreciation			
At 1 January 2020	96,173	431,261	527,434
Charge for the year	7,690	2,553	10,243
Disposals	(2,139)	—	(2,139)
At 31 December 2020	101,724	433,814	535,538
Carrying amount			
At 31 December 2020	3,731	1,001	4,732
At 31 December 2019	9,760	2,045	11,805

6. Debtors

	2020 £	2019 £
Trade debtors	119,606	197,297
Other debtors	138,063	111,848
	257,669	309,145

Kusch & Co Limited

Notes to the Accounts *(continued)*

Year ended 31 December 2020

7. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	19,053	7,501
Amounts owed to group undertakings and undertakings in which the company has a participating interest	693,574	582,721
Social security and other taxes	6,813	33,553
Other creditors	80,755	115,912
	<u>800,195</u>	<u>739,687</u>

A fixed and floating charge is in place over all the company's assets. The charge is security for a invoice finance facility.

8. Operating leases

As lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	255,770	255,770
Later than 1 year and not later than 5 years	90,395	346,165
	<u>346,165</u>	<u>601,935</u>

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	216,234	216,234
Later than 1 year and not later than 5 years	53,910	270,144
	<u>270,144</u>	<u>486,378</u>

9. Related party transactions

During the year ended 31 December 2020 the company purchases goods from Kusch + Co GmbH & Co KG.

The aggregate value of goods purchased during the year totalled £660,826 (2019: £787,567). The balance outstanding at the year end was £693,574 (2019: £582,721)

Expenses have been recharged to Kusch+Co GmbH & Co KG during the year totalling £Nil (2019: £97,638) and the balance outstanding included in debtors at year end was £Nil (2019: £67,589)

Kusch & Co Limited had a loan of £523,170 (2019: £522,519) from their loan from their parent Ernest Kusch GmbH & Co. KG. Additionally, they had a loan from their ultimate parent of Nowy Styl Sp. z o.o of £237,288 (2019: £160,0000).

Kusch & Co Limited

Notes to the Accounts *(continued)*

Year ended 31 December 2020

10. Controlling party

The ultimate holding company of Kusch Verwaltungs - GMBH has been purchased by Nowy Styl Sp. z o.o. a company registered in Poland and is now regarded as the ultimate controlling party.