

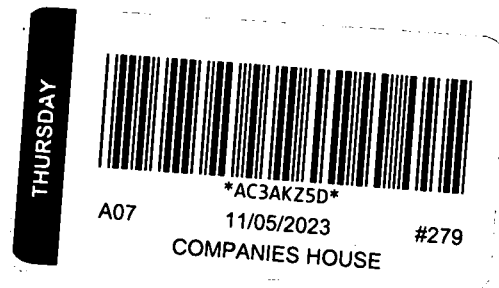
Registered number: 04599312

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**NEW ERA CAP COMPANY LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**



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NEW ERA CAP COMPANY LIMITED

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COMPANY INFORMATION

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Directors	C Koch A Jones P Gils K R Wilson
Company secretary	A Jones
Registered number	04599312
Registered office	1st Floor East CBX 2 Midsummer Boulevard Milton Keynes Buckinghamshire MK9 2EA
Independent auditor	Hillier Hopkins LLP Chartered Accountants & Statutory Auditor 249 Silbury Boulevard Milton Keynes MK9 1NA

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**NEW ERA CAP COMPANY LIMITED**

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**NEW ERA CAP COMPANY LIMITED**

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**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Introduction**

The directors present the strategic report for the group for the year ended 31 December 2022.

**Business review**

The principal activity of the group during the period was that of the sale and distribution of headwear, apparel and accessories.

2022 was a year of further growth for the company with successful improvement in activity across the EMEA region. We continued to work closely with our customers, licensors and supply chain business partners to implement the company's strategy to develop and grow our brand. We recognize that our achievements in 2022 were made possible by the hard work, professionalism and positive approach taken by our staff in every aspect of our business.

Turnover increased from £104.7m in 2021 to £151.6m, representing an increase of 44.8% (2021 – increase of 45.5%).

UK turnover increased from £22,340,892 in 2021 to £33,818,896 in 2022, an increase of 51.4% (2021 – increase of 38.2%). Turnover in the rest of the EU region was £116,642,127 (2021 – £75,367,957), representing an increase of 54.8% (2021 – increase of 41.1%). Our business in the rest of the world outside the UK and EU decreased from £6,981,840 to £1,094,214, a decrease of 84.3% (2021 – increase of 195.7%).

The company was able to continue its efforts to build our brand in a sustainable and controlled manner, particularly in the face of the evolving trading conditions resulting from global supply chain issues and increased associated costs, which resulted in a reduction in gross margin from 58.8% to 57.4%.

**Principal risks and uncertainties**

The principal risks and uncertainties faced by the business comprise:

- General economic factors in the EMEA region, including potential risks of fluctuations in general economic growth for the major regions.
- Continued uncertainties due to the exit of Great Britain and Northern Ireland from the EU.
- Effects of currency fluctuations on costs and revenues.

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**NEW ERA CAP COMPANY LIMITED**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Financial key performance indicators**

The key performance indicators which we consider to be relevant to the financial performance and strength of the group are as follows:

**Turnover**

The turnover of the group by geographical division was:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
United Kingdom	33,818,896	22,340,892
Rest of Europe	116,642,127	75,367,957
Rest of the World	1,094,214	6,981,840
<b>Total</b>	<b>£ 151,555,237</b>	<b>£ 104,690,689</b>

**Profit before Taxation**

The profit before taxation was £15,518,677, compared with the prior year profit of £6,547,038. After taxation, but before dividends £12,410,995 has been added to reserves (2021 - £5,256,511).

The total reserves at the year end were £25,763,369 (2021 - £17,853,973).

**Statement of Compliance**

The group will continue to identify and address changes in the commercial landscape, with the aim of achieving further development and profitability of the business throughout the region.

**Directors' statement of compliance with duty to promote the success of the Group**

The directors of the group consider that during the year ended 31 December 2022 they have acted in good faith to promote the success of the group for the benefit of its shareholders, having consideration and regard for the group's stakeholders and the requirements set out in s172 of the Companies Act 2006. In particular, the directors have considered and acted upon the following matters in the planning and execution of the group's business strategy:

***Our People***

The group recognises that our employees are fundamental to the success of the group through their involvement in the delivery of our business plan. We develop and manage our people to balance the fulfilment of their performance and career aspirations with operational requirements through training, goal-setting, provision of information on group planning and performance and promotion of work-life balance.

We engage with our employees throughout the business by regular business update staff meetings, through a formal structure of individual progress reviews and goal setting which is achieved through our management structure and departmental organisation. We encourage involvement in group schemes for health monitoring and exercise schemes.

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NEW ERA CAP COMPANY LIMITED

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GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022

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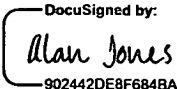
***Business Stakeholders***

We recognise that the group's success is built upon the establishment of long-lasting, strong relationships with our vendors, customers and other partners. This is achieved by maintaining constant contact with these stakeholders at key levels in our respective businesses, avoiding complacency in our drive to provide innovative product and improve our processes and by the establishment of long-term contracts in applicable areas.

***Community and Environment***

The directors place great emphasis on planning our business to consider the environmental impact of our activities and to ensure the communities in which we operate continue to benefit from our presence as a responsible employer.

The report was approved by the board and signed on its behalf.

DocuSigned by:  
  
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**A Jones**  
Director

Date: 25-04-2023 | 15:12 BST

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## NEW ERA CAP COMPANY LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their report and the financial statements for the year ended 31 December 2022.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 Company and the Group 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 for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £12,410,995 (2021 - £5,256,511).

The directors have declared and paid dividends for the year ending 31 December 2022 of £4,501,599 (2021 - £3,500,131).

#### **Directors**

The directors who served during the year were:

C Koch  
A Jones  
P Gils  
K R Wilson

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## NEW ERA CAP COMPANY LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Future developments

The group plans to continue the implementation of its strategy to develop and grow the business throughout the EMEA region.

We will plan to adapt to the changing commercial landscape throughout the region, recognizing the potential effects of inflation on the economy. We continue to recognise the importance of working closely with our customers to focus on building the success of our brand. The directors consider that the business is in a good position to continue its development in 2023 and beyond. The business will continue its planned activities in the following areas:

- Further development of existing and new territories in the EMEA region, and consolidation of our established markets.
- Continuing to identify key individuals, and developing our staff to fulfil their potential and support the business.

#### Engagement with suppliers, customers and others

Information relating to Companies Act 2006 requirements can be found within the various sections in the strategic report.

#### Greenhouse gas emissions, energy consumption and energy efficiency action

We have calculated our organisational carbon footprint using the Greenhouse Gas Protocol for Scopes 1 and 2 looking at our consumption of electricity, gas, diesel and petrol across all our locations. This is our first year of disclosing this information so no comparatives are available.

The annual KWH for the year is 173,069 in the UK and 256,329 KWH for the group.

Scope 1 total emissions for the year = total for the group 169,803 kgCO<sub>2</sub>e, UK only 95,673 kgCO<sub>2</sub>e

Scope 2 total emissions for the year = total for the group 39,425 kgCO<sub>2</sub>e, UK only 23,324 kgCO<sub>2</sub>e

Scope 1: Direct emissions that result from activities within our company's control, including company vehicles. The emissions disclosed above have been calculated from business mileage travelled by company vehicles at emission rates published by the Carbon Trust for the relevant category of vehicle.

Scope 2: Indirect emissions from electricity that we purchase and use. Although we are not in direct control of the emissions, by using the energy we appreciate the importance of monitoring and reporting this information. The Scope 2 emissions disclosed above have been calculated from actual kWh usage of electricity at each site using emission rates published by the Carbon Trust.

We will continue to monitor our environmental impact and we have taken steps to increase the use of electric and hybrid company vehicles together with use of motion activated lighting in our offices in an effort to lower our CO<sub>2</sub> emissions. We plan to increase the scope of our monitoring process to consider our Scope 3 emissions carbon footprint throughout our business.



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**NEW ERA CAP COMPANY LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

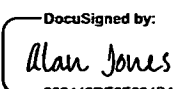
**Post balance sheet events**

There have been no significant events affecting the group since the year end.

**Auditor**

The auditor, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
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**A Jones**  
Director

Date: 25-04-2023 | 15:12 BST

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**NEW ERA CAP COMPANY LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW ERA CAP COMPANY LIMITED**

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**Opinion**

We have audited the financial statements of New Era Cap Company Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 of the parent Company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 or the 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.

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**NEW ERA CAP COMPANY LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW ERA CAP COMPANY LIMITED  
(CONTINUED)**

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**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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Group 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 Group 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 Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 set out on page 4, 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.

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**NEW ERA CAP COMPANY LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW ERA CAP COMPANY LIMITED  
(CONTINUED)**

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In preparing the financial statements, the directors are responsible for assessing the Group's and 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 Group or the parent 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 Group 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:

- we consider the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and relevant tax legislation.

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NEW ERA CAP COMPANY LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW ERA CAP COMPANY LIMITED  
(CONTINUED)

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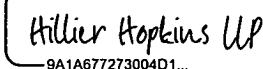
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

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Neal Carter ACA (Senior statutory auditor)

for and on behalf of

**Hillier Hopkins LLP**

Chartered Accountants

Statutory Auditor

249 Silbury Boulevard

Milton Keynes

MK9 1NA

Date: 25-04-2023 | 15:52 BST

## NEW ERA CAP COMPANY LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	151,555,237	104,690,689
Cost of sales		(64,563,014)	(43,178,716)
<b>Gross profit</b>		<b>86,992,223</b>	<b>61,511,973</b>
Distribution costs		(1,411,326)	(925,083)
Administrative expenses		(70,060,964)	(54,055,519)
Other operating income	5	-	13,639
<b>Operating profit</b>	6	<b>15,519,933</b>	<b>6,545,010</b>
Interest receivable and similar income	10	-	2,873
Interest payable and expenses	11	(1,256)	(845)
<b>Profit before taxation</b>		<b>15,518,677</b>	<b>6,547,038</b>
Tax on profit	12	(3,107,682)	(1,290,527)
<b>Profit for the financial year</b>		<b>12,410,995</b>	<b>5,256,511</b>
Currency translation differences		141,729	(146,866)
<b>Other comprehensive income for the year</b>		<b>141,729</b>	<b>(146,866)</b>
<b>Total comprehensive income for the year</b>		<b>12,552,724</b>	<b>5,109,645</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent Company		12,410,995	5,256,511
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the parent Company		12,552,724	5,109,645


The notes on pages 19 to 35 form part of these financial statements.


**NEW ERA CAP COMPANY LIMITED**  
**REGISTERED NUMBER: 04599312**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	953,699	814,268
		<u>953,699</u>	<u>814,268</u>
<b>Current assets</b>			
Stocks	16	24,527,695	10,614,056
Debtors: amounts falling due within one year	17	21,340,434	15,981,421
Cash at bank and in hand	18	7,397,594	11,916,631
		<u>53,265,723</u>	<u>38,512,108</u>
Creditors: amounts falling due within one year	19	(28,396,354)	(21,472,403)
<b>Net current assets</b>		<u>24,869,369</u>	<u>17,039,705</u>
<b>Total assets less current liabilities</b>		<u>25,823,068</u>	<u>17,853,973</u>
<b>Provisions for liabilities</b>			
Deferred taxation	20	(59,699)	-
<b>Net assets</b>		<u><u>25,763,369</u></u>	<u><u>17,853,973</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	2,000	2,000
Foreign exchange reserve	22	(65,156)	76,573
Profit and loss account	22	25,826,525	17,775,400
<b>Equity attributable to owners of the parent Company</b>		<u><u>25,763,369</u></u>	<u><u>17,853,973</u></u>

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

DocuSigned by:  
  
 902442DE8F684BA.....  
**A Jones**  
 Director

DocuSigned by:  
  
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**K R Wilson**  
 Director

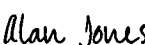
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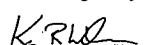
**NEW ERA CAP COMPANY LIMITED**  
**REGISTERED NUMBER: 04599312**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	942,027	692,003
Investments	15	57,059	59,454
		<u>999,086</u>	<u>751,457</u>
<b>Current assets</b>			
Stocks	16	24,527,695	10,580,793
Debtors: amounts falling due within one year	17	21,261,152	14,940,814
Cash at bank and in hand	18	7,174,817	11,633,507
		<u>52,963,664</u>	<u>37,155,114</u>
Creditors: amounts falling due within one year	19	(29,436,029)	(21,234,658)
<b>Net current assets</b>		<u>23,527,635</u>	<u>15,920,456</u>
<b>Total assets less current liabilities</b>		<u>24,526,721</u>	<u>16,671,913</u>
<b>Provisions for liabilities</b>			
Deferred taxation	20	(59,699)	-
<b>Net assets</b>		<u>24,467,022</u>	<u>16,671,913</u>
<b>Capital and reserves</b>			
Called up share capital	21	2,000	2,000
Profit and loss account	22	24,465,022	16,669,913
		<u>24,467,022</u>	<u>16,671,913</u>

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

DocuSigned by:  
  
 902442DE8F684BA...  
**A Jones**  
 Director

DocuSigned by:  
  
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**K R Wilson**  
 Director

Date: 25-04-2023 | 15:12 BST



## NEW ERA CAP COMPANY LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Total equity £
<b>At 1 January 2021</b>	<b>2,000</b>	<b>(70,293)</b>	<b>16,165,886</b>	<b>16,097,593</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	5,256,511	5,256,511
Currency translation differences	-	-	(146,866)	(146,866)
Movement of foreign exchange	-	146,866	-	146,866
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>146,866</b>	<b>5,109,645</b>	<b>5,256,511</b>
Dividends: Equity capital	-	-	(3,500,131)	(3,500,131)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(3,500,131)</b>	<b>(3,500,131)</b>
<b>At 1 January 2022</b>	<b>2,000</b>	<b>76,573</b>	<b>17,775,400</b>	<b>17,853,973</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	12,410,995	12,410,995
Currency translation differences	-	-	141,729	141,729
Movement of foreign exchange	-	(141,729)	-	(141,729)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(141,729)</b>	<b>12,552,724</b>	<b>12,410,995</b>
Dividends: Equity capital	-	-	(4,501,599)	(4,501,599)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(4,501,599)</b>	<b>(4,501,599)</b>
<b>At 31 December 2022</b>	<b>2,000</b>	<b>(65,156)</b>	<b>25,826,525</b>	<b>25,763,369</b>

The notes on pages 19 to 35 form part of these financial statements.

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**NEW ERA CAP COMPANY LIMITED**

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**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 January 2021</b>	<b>2,000</b>	<b>14,852,432</b>	<b>14,854,432</b>
Profit for the year	-	5,317,612	5,317,612
	-	5,317,612	5,317,612
<b>Total comprehensive income for the year</b>			
<b>Contributions by and distributions to owners</b>			
Dividends: Equity capital	-	(3,500,131)	(3,500,131)
	-	12,296,708	12,296,708
<b>At 1 January 2022</b>	<b>2,000</b>	<b>16,669,913</b>	<b>16,671,913</b>
Profit for the year	-	12,296,708	12,296,708
	-	12,296,708	12,296,708
<b>Total comprehensive income for the year</b>			
<b>Contributions by and distributions to owners</b>			
Dividends: Equity capital	-	(4,501,599)	(4,501,599)
	2,000	24,465,022	24,467,022
<b>At 31 December 2022</b>	<b>2,000</b>	<b>24,465,022</b>	<b>24,467,022</b>

The notes on pages 19 to 35 form part of these financial statements.

## NEW ERA CAP COMPANY LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	12,410,995	5,256,511
<b>Adjustments for:</b>		
Depreciation of tangible assets	291,262	319,854
Gain on disposal of tangible assets	(634)	-
Government grants	-	(13,639)
Interest paid	1,256	845
Interest received	-	(2,873)
Taxation charge	3,107,682	1,290,527
(Increase) in stocks	(13,913,639)	(1,228,933)
(Increase) in debtors	(6,353,263)	(5,836,934)
Decrease in amounts owed by groups	985,053	3,792,520
Increase in creditors	8,068,103	5,812,495
(Decrease)/increase in amounts owed to groups	(1,429,220)	4,231,013
Corporation tax (paid)	(2,760,413)	(1,077,456)
<b>Net cash generated from operating activities</b>	<b>407,182</b>	<b>12,543,930</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(492,820)	(11,659)
Sale of tangible fixed assets	69,456	-
Government grants received	-	13,639
Interest received	-	2,873
<b>Net cash from investing activities</b>	<b>(423,364)</b>	<b>4,853</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(4,501,599)	(3,500,131)
Interest paid	(1,256)	(845)
<b>Net cash used in financing activities</b>	<b>(4,502,855)</b>	<b>(3,500,976)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(4,519,037)</b>	<b>9,047,807</b>

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**NEW ERA CAP COMPANY LIMITED**

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**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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	2022 £	2021 £
Cash and cash equivalents at beginning of year	11,916,631	2,868,824
<b>Cash and cash equivalents at the end of year</b>	<u><b>7,397,594</b></u>	<u><b>11,916,631</b></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u><b>7,397,594</b></u>	<u><b>11,916,631</b></u>

The notes on pages 19 to 35 form part of these financial statements.

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**NEW ERA CAP COMPANY LIMITED**


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**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2022**


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	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	11,916,631	(4,519,037)	7,397,594

The notes on pages 19 to 35 form part of these financial statements.

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1. General information**

New Era Cap Company Limited is a private company limited by share capital, incorporated in the England & Wales.

The company's registered office is 1st Floor East, CBX 2 Midsummer Boulevard, Milton Keynes, Bucks, MK9 2EA.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of Group and its own subsidiaries ("the Group") as they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)**

**2.4 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.5 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Temporary rent concessions occurring as a direct consequence of the COVID-19 pandemic have been recognised on a systematic basis over the periods that the change in lease payments is intended to compensate. This is conditional on:

- the change in lease payments resulting in revised consideration for the lease that is less than the consideration for the lease immediately preceding the change;
- any reduction in lease payments affecting only payments originally due on or before 30 June 2022;
- there being no significant change to other terms and conditions of the lease.

**2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)**

**2.7 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

**2.8 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.9 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.10 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.



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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)****2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold land and buildings	-	10% straight line
Plant and machinery	-	33% straight line
Fixtures, fittings and equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.13 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)****2.14 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.15 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.16 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.17 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.18 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Accounting policies (continued)**

**2.18 Financial instruments (continued)**

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

**2.19 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.20 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Judgments in applying accounting policies 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 for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

The items in the financial statements where these judgements and estimates have been made include depreciation for fixed assets, net realisable value of the stock and recoverability of trade debtors.

The stock provision calculation has been reassessed during the year to ensure that the stock is carried at the lower of cost and net realisable value, as trends change over time of certain types of products.

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**4. Turnover**

The whole of the turnover is attributable to the principal business activity.

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	33,818,896	22,340,892
Rest of Europe	116,642,127	75,367,957
Rest of the world	1,094,214	6,981,840
	<u>151,555,237</u>	<u>104,690,689</u>

**5. Other operating income**

	2022 £	2021 £
Government grants receivable	<u>-</u>	<u>13,639</u>

**6. Operating profit**

The operating profit is stated after charging:

	2022 £	2021 £
Exchange differences	(602,585)	1,007,536
Other operating lease rentals	<u>1,754,452</u>	<u>1,770,237</u>

**7. Auditor's remuneration**

	2022 £	2021 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	49,900	46,675
All other services	7,500	13,325
	<u>57,400</u>	<u>60,000</u>

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**8. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Company 2022 £</b>	<i>Company 2021 £</i>
Wages and salaries	9,723,570	8,732,473	8,872,032	7,936,895
Social security costs	1,301,130	1,185,981	1,301,130	1,185,981
Cost of defined contribution scheme	325,806	270,198	324,640	270,198
	<u>11,350,506</u>	<u>10,188,652</u>	<u>10,497,802</u>	<u>9,393,074</u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>Group 2022 No.</b>	<i>Group 2021 No.</i>	<b>Company 2022 No.</b>	<i>Company 2021 No.</i>
Administration	68	57	68	57
Sales and Marketing	117	110	97	87
	<u>185</u>	<u>167</u>	<u>165</u>	<u>144</u>

**9. Directors' remuneration**

	<b>2022 £</b>	<i>2021 £</i>
Directors' emoluments	976,971	1,058,409
Company contributions to defined contribution pension schemes	24,647	-
	<u>1,001,618</u>	<u>1,058,409</u>

During the year retirement benefits were accruing to 1 director (2021 - *NIL*) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £671,041 (2021 - £769,466).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £24,647 (2021 - *£NIL*).

The directors, who have the authority and reasonability for planning, directing and controlling the activities of the Group, are considered to be the key management.

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**10. Interest receivable**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other interest receivable	-	2,873
	<u>          </u>	<u>          </u>

**11. Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank interest payable	1,256	845
	<u>          </u>	<u>          </u>

**12. Taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Corporation tax</b>		
Current tax on profits for the year	3,052,096	1,300,795
Adjustments in respect of previous periods	(13,876)	3,044
<b>Total current tax</b>	<u>3,038,220</u>	<u>1,303,839</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	69,462	(13,312)
<b>Total deferred tax</b>	<u>69,462</u>	<u>(13,312)</u>
<b>Taxation on profit on ordinary activities</b>	<u>3,107,682</u>	<u>1,290,527</u>

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**12. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>15,518,677</u>	<u>6,547,038</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	2,948,549	1,243,937
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	50,499	11,464
Capital allowances for year in excess of depreciation	15,062	13,221
Adjustments to tax charge in respect of prior periods	(13,876)	3,044
Other timing differences leading to an increase (decrease) in taxation	118,406	18,861
Double taxation relief	(10,958)	-
<b>Total tax charge for the year</b>	<u><u>3,107,682</u></u>	<u><u>1,290,527</u></u>

**Factors that may affect future tax charges**

An increase in the UK corporation tax rate to 25% has been announced by the UK government and will become effective from 1 April 2023.

The group has capital losses of £577,869 (2021 - £577,869) to offset against future capital profits, but due to the uncertainty of when this will arise, the asset of £144,467 (2021 - £109,795) has not been provided for.

**13. Dividends**

	2022 £	2021 £
Ordinary Shares	<u><u>4,501,599</u></u>	<u><u>3,500,131</u></u>

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**14. Tangible fixed assets**

**Group**

	Long term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	2,324,391	32,767	1,194,719	3,551,877
Additions	405,966	80,399	6,455	492,820
Disposals	(367,738)	-	(20,260)	(387,998)
Exchange adjustments	19,093	-	9,978	29,071
At 31 December 2022	<u>2,381,712</u>	<u>113,166</u>	<u>1,190,892</u>	<u>3,685,770</u>
<b>Depreciation</b>				
At 1 January 2022	1,611,119	31,941	1,094,550	2,737,610
Charge for the year on owned assets	232,976	17,588	40,698	291,262
Disposals	(304,183)	-	(14,993)	(319,176)
Exchange adjustments	13,491	-	8,885	22,376
At 31 December 2022	<u>1,553,403</u>	<u>49,529</u>	<u>1,129,140</u>	<u>2,732,072</u>
<b>Net book value</b>				
At 31 December 2022	<u>828,309</u>	<u>63,637</u>	<u>61,752</u>	<u>953,698</u>
At 31 December 2021	<u>713,271</u>	<u>827</u>	<u>100,170</u>	<u>814,268</u>



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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**14. Tangible fixed assets (continued)**

**Tangible fixed assets**

**Company**

	Long Term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	1,975,741	32,767	1,012,508	3,021,016
Additions	405,966	80,399	-	486,365
At 31 December 2022	<u>2,381,707</u>	<u>113,166</u>	<u>1,012,508</u>	<u>3,507,381</u>
<b>Depreciation</b>				
At 1 January 2022	1,364,756	31,941	932,315	2,329,012
Charge for the year on owned assets	188,642	17,588	30,111	236,341
At 31 December 2022	<u>1,553,398</u>	<u>49,529</u>	<u>962,426</u>	<u>2,565,353</u>
<b>Net book value</b>				
At 31 December 2022	<u>828,309</u>	<u>63,637</u>	<u>50,082</u>	<u>942,028</u>
At 31 December 2021	<u>610,984</u>	<u>827</u>	<u>80,192</u>	<u>692,003</u>

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**NEW ERA CAP COMPANY LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**15. Fixed asset investments**

**Company**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 January 2022	59,454
Foreign exchange movement	(2,395)
At 31 December 2022	<u>57,059</u>
<b>Net book value</b>	
At 31 December 2022	<u>57,059</u>
At 31 December 2021	<u>59,454</u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
New Era Cap GmbH	Germany	Sale and distribution of caps	Ordinary	100%
New Era Cap B.V	Netherlands	Sale and distribution of caps	Ordinary	100%

**16. Stocks**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Finished goods and goods for resale	<u>24,527,695</u>	<u>10,614,056</u>	<u>24,527,695</u>	<u>10,580,793</u>

Stock recognised in cost of sales during the year as an expense was £68,635,623 (2021 - £37,241,211).

The carrying value of stocks are stated net of impairment losses totalling £2,192,154 (2021 - £2,192,154). Impairment losses totalling £nil (2021 - £nil) were recognised in profit and loss.

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**17. Debtors**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Company 2022 £</b>	<i>Company 2021 £</i>
Trade debtors	15,074,773	11,391,428	15,074,773	11,390,846
Amounts owed by group undertakings	406,683	1,391,736	400,442	377,191
Other debtors	5,439,089	2,835,952	5,375,306	2,816,282
Prepayments and accrued income	419,889	352,542	410,631	346,732
Deferred taxation	-	9,763	-	9,763
	<u>21,340,434</u>	<u>15,981,421</u>	<u>21,261,152</u>	<u>14,940,814</u>

**18. Cash and cash equivalents**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Company 2022 £</b>	<i>Company 2021 £</i>
Cash at bank and in hand	7,397,594	11,916,631	7,174,817	11,633,507

**19. Creditors: Amounts falling due within one year**

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Company 2022 £</b>	<i>Company 2021 £</i>
Trade creditors	1,677,853	1,608,420	1,612,014	1,599,458
Amounts owed to group undertakings	4,010,805	5,440,025	5,246,836	5,331,455
Corporation tax	490,361	211,987	478,435	210,496
Other taxation and social security	162,252	536,978	162,252	536,972
Other creditors	351,371	719,420	335,595	710,000
Accruals and deferred income	21,703,712	12,955,573	21,600,897	12,846,277
	<u>28,396,354</u>	<u>21,472,403</u>	<u>29,436,029</u>	<u>21,234,658</u>

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**20. Deferred taxation**

**Group**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At beginning of year	9,763	(3,549)
Charged to the profit or loss	(69,462)	13,312
<b>At end of year</b>	<b>(59,699)</b>	<b>9,763</b>

**Company**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At beginning of year	9,763	(3,549)
Charged to the profit or loss	(69,462)	13,312
<b>At end of year</b>	<b>(59,699)</b>	<b>9,763</b>

The deferred taxation balance is made up as follows:

	<b>Group</b>	<i>Group</i>	<b>Company</b>	<i>Company</i>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	<b>(59,699)</b>	9,763	<b>(59,699)</b>	9,763

**21. Share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
2,000 (2021 - 2,000) Ordinary shares shares of £1 each	<b>2,000</b>	2,000

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**22. Reserves**

**Foreign exchange reserve**

This reserve relates to the retranslated share capital and reserves balances at the year end date and prior periods.

**Profit & loss account**

The profit and loss reserve includes all current and prior retained period profits and losses.

**23. Contingent liabilities**

During the year the company and the other subsidiaries within the group commenced an agreement with Jefferies Finance Llc and Bank of America, creating charges in January 2022. These were debentures, guarantees and negative pledges containing fixed and floating charges over all the property of the company.

**24. Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £325,806 (2021 - £270,198). Contributions totalling £381 (2021 - £43,205) were payable to the fund at the balance sheet date and are included in creditors.

**25. Commitments under operating leases**

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2022 £</b>	<i>Group 2021 £</i>	<b>Company 2022 £</b>	<i>Company 2021 £</i>
Not later than 1 year	<b>1,344,637</b>	1,387,214	<b>1,303,514</b>	1,288,035
Later than 1 year and not later than 5 years	<b>3,510,591</b>	4,369,198	<b>3,502,881</b>	4,328,401
Later than 5 years	<b>933,848</b>	968,938	<b>933,848</b>	968,938
	<b><u>5,789,076</u></b>	<u>6,725,350</u>	<b><u>5,740,243</u></b>	<u>6,585,374</u>

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**26. Related party transactions**

The company has taken advantage of the exemption under FRS 102 from disclosing transactions and balances with other members of the group wholly owned by New Era Cap Company Limited, on the basis that New Era Cap Company Limited produces consolidated financial statements for the group as a whole.

During the year, New Era Cap LLC (formerly New Era Cap Co. Inc) was charged a total of £317,925, (2021 - £224,588) in respect of goods and recharged expenses by New Era Cap Company Limited. New Era Cap Company Limited was recharged £39,448,849 (2021 - £26,742,177) for recharged expenses. At the year end, included within creditors New Era Cap LLC (formerly New Era Cap Co. Inc) was owed £845,954 (2021 - £2,655,497).

During the year, New Era Cap Company Limited paid expenses on behalf of New Era Cap SL for a total of £1,492,325 (2021 - £1,126,164). At the year end £221,460 (2021 - £260,862) was owed to New Era Cap SL. New Era Cap SL is owned by CKCK LLC.

During the year, New Era Cap Company Limited paid expenses on behalf of New Era Cap SAS for a total of £186,867 (2021 - £132,942). At the year end, included within creditors, New Era Cap Company Limited owed £44,292 (2021 - £42,077) from New Era Cap SAS. New Era Cap SAS is owned by CKCK LLC.

During the year, New Era Cap Company Limited was charged a total of £2,763,208 (2021 - £1,829,155) in respect of commission fees from New Era Cap Srl. At the year end, included within other creditors, New Era Cap Company Limited owed New Era Cap Srl £1,536,984 (2021 - £1,089,853). New Era Srl is owned by New Era Cap LLC (formerly New Era Cap Co. Inc).

C Koch is a director and controlling shareholder of CKCK LLC and a director and shareholder of New Era Cap LLC (formerly New Era Cap Co. Inc), a company registered in the United States.

**27. Ultimate parent undertaking and controlling party**

The ultimate parent company is CKCK LLC, a company registered in the United States.

CKCK LLC is controlled by C Koch.