
NEW ERA CAP COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



NEW ERA CAP COMPANY LIMITED

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NEW ERA CAP COMPANY LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present the strategic report for the group for the year ended 31 December 2021.

Business review

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

Following the reduction in activity in 2020 due to the effects of the covid pandemic, the group was able to achieve significant growth in 2021. In addition to the continuing effects of the covid pandemic on the retail environment in many of our territories, trading conditions were adversely affected by global supply chain issues, resulting in shipping delays and increased costs of transportation. The positive moves taken by the group in 2020 and continuing into 2021 included planning and implementing a dynamic program to work closely with our valued customers and our staff to maximise where possible the operation of our business and to ship our products when conditions allowed. Throughout the region we achieved significant growth over the prior year as a result of the hard work and positive approach taken by our staff and business partners.

Turnover increased from £71.9m in 2020 to £104.7m, representing an increase of 45.5% (2020 - reduction of 15.2%).

UK turnover moved from £16,167,784 in 2020 to £22,340,892 in 2021, an increase of 38.2% (2020 - decrease of 9.7%). Turnover in the rest of the EU region was £75,367,957 (2020 - £53,402,844), representing an increase of 41.1% (2020 - decrease of 11.7%). Our business in the rest of the world outside the UK and EU increased from £2,361,353 to £6,981,840, an increase of 195.7% (2020 - decrease of 63.0%).

The group 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 the continuing covid pandemic and global supply chain issues. The group was able to achieve stability in the gross margin at 58.8% (2020 - 58.3%).

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 and potential for disruption of supply chain from global production and shipping issues.
- Continued uncertainties due to the exit of Great Britain from the EU.
- Effects of currency fluctuations on costs and revenues.

NEW ERA CAP COMPANY LIMITED

COMPANY INFORMATION

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 Mikton Keynes Buckinghamshire MK9 2EA
Independent auditor	Hillier Hopkins LLP Chartered Accountants & Statutory Auditor 249 Silbury Boulevard Milton Keynes MK9 1NA

NEW ERA CAP COMPANY LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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:

	2021	2020
	£	£
United Kingdom	22,340,892	16,167,784
Rest of Europe	75,367,957	53,402,844
Rest of the World	6,981,840	2,361,353
Total	£ 104,690,689	£ 71,931,981

Profit before Taxation

The profit before taxation was £6,547,038, compared with the prior year profit of £1,382,354. After taxation, but before dividends £5,256,511 has been added to reserves (2020 - £1,034,129).

The total reserves at the year end were £17,851,973 (2020 - £16,095,593).

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 2021 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 company schemes for health monitoring and exercise schemes.

NEW ERA CAP COMPANY LIMITED

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

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.



.....
A Jones
Director

Date: 31.03.2022

NEW ERA CAP COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

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 £5,256,511 (2020 - £1,034,129).

The directors have declared and paid dividends for the year ending 31 December 2021 of £3,500,131 (2020 - £1,311,861).

Directors

The directors who served during the year were:

C Koch
A Jones
P Gils
K R Wilson

NEW ERA CAP COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Future developments

The group will continue to identify and address changes arising from continuing uncertainties over potential effects of the covid pandemic and global production and supply chain issues. We will plan to adapt to the changing commercial landscape throughout the region, with the aim of achieving further development and profitability of the business. 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 2022 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.

The market continues to be competitive and our profitability will continue to be dependent, to an extent, on conditions within the UK and European economies. The directors recognise the dramatic effects which will continue to be felt in the region as a result of the covid pandemic situation and which has certainly caused a contraction in the commercial marketplace in which the group operates. The group will continue to plan and adapt its strategy to cope with these effects as far as possible and prepare to maximise opportunities in the postpandemic period.

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

The group has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as, it is not currently practical to record this information accurately. The group will review its processes to capture relevant data as part of an ongoing program to improve energy efficiency and sustainability.

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.

NEW ERA CAP COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

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



.....
A Jones
Director

Date: 31.03.2022

NEW ERA CAP COMPANY LIMITED

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

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 2021, 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 2021 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.

NEW ERA CAP COMPANY LIMITED

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

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.

NEW ERA CAP COMPANY LIMITED

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

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.

NEW ERA CAP COMPANY LIMITED

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

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. 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.

Hillier Hopkins LLP

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

11 April 2022

NEW ERA CAP COMPANY LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	104,690,689	71,931,981
Cost of sales		(43,178,716)	(29,986,096)
Gross profit		61,511,973	41,945,885
Distribution costs		(925,083)	(752,516)
Administrative expenses		(54,055,519)	(40,207,284)
Other operating income	5	13,639	397,529
Operating profit	6	6,545,010	1,383,614
Interest receivable and similar income	10	2,873	138
Interest payable and expenses	11	(845)	(1,398)
Profit before taxation		6,547,038	1,382,354
Tax on profit	12	(1,290,527)	(348,225)
Profit for the financial year		5,256,511	1,034,129
Currency translation differences		(146,866)	137,738
Other comprehensive income for the year		(146,866)	137,738
Total comprehensive income for the year		5,109,645	1,171,867
Profit for the year attributable to:			
Owners of the parent Company		5,256,511	1,034,129
Total comprehensive income for the year attributable to:			
Owners of the parent Company		5,109,645	1,171,867

The notes on pages 18 to 34 form part of these financial statements.

NEW ERA CAP COMPANY LIMITED
REGISTERED NUMBER: 04599312

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	814,268	1,133,311
		<u>814,268</u>	<u>1,133,311</u>
Current assets			
Stocks	16	10,614,056	9,385,123
Debtors: amounts falling due within one year	17	15,981,421	14,004,319
Cash at bank and in hand	18	11,916,631	2,868,824
		<u>38,512,108</u>	<u>26,258,266</u>
Creditors: amounts falling due within one year	19	(21,472,403)	(11,290,435)
Net current assets		<u>17,039,705</u>	<u>14,967,831</u>
Total assets less current liabilities		<u>17,853,973</u>	<u>16,101,142</u>
Provisions for liabilities			
Deferred taxation	20	-	(3,549)
Net assets		<u>17,853,973</u>	<u>16,097,593</u>
Capital and reserves			
Called up share capital	21	2,000	2,000
Foreign exchange reserve	22	76,673	(70,293)
Profit and loss account	22	17,775,400	16,165,886
Equity attributable to owners of the parent Company		<u>17,853,973</u>	<u>16,097,593</u>

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



.....
A Jones
Director



.....
K R Wilson
Director

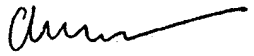
Date: 31.03.2022

NEW ERA CAP COMPANY LIMITED
REGISTERED NUMBER: 04599312


COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	692,002	924,004
Investments	15	59,454	59,454
		<u>751,456</u>	<u>983,458</u>
Current assets			
Stocks	16	10,580,793	9,322,173
Debtors: amounts falling due within one year	17	14,940,814	13,970,695
Cash at bank and in hand	18	11,633,607	2,567,392
		<u>37,155,114</u>	<u>25,860,260</u>
Creditors: amounts falling due within one year	19	(21,234,657)	(11,985,737)
Net current assets		<u>15,920,457</u>	<u>13,874,523</u>
Total assets less current liabilities		<u>16,671,913</u>	<u>14,857,981</u>
Provisions for liabilities			
Deferred taxation	20	-	(3,549)
Net assets		<u>16,671,913</u>	<u>14,854,432</u>
Capital and reserves			
Called up share capital	21	2,000	2,000
Profit and loss account	22	16,669,913	14,852,432
		<u>16,671,913</u>	<u>14,854,432</u>

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



A Jones
 Director



K R Wilson
 Director

Date: 31.03.2022

NEW ERA CAP COMPANY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Total equity £
At 1 January 2020	2,000	67,445	16,305,880	16,375,325
Comprehensive income for the year				
Profit for the year	-	-	1,034,129	1,034,129
Currency translation differences	-	-	137,738	137,738
Movement of foreign exchange	-	(137,738)	-	(137,738)
Total comprehensive income for the year	-	(137,738)	1,171,867	1,034,129
Dividends: Equity capital	-	-	(1,311,861)	(1,311,861)
Total transactions with owners	-	-	(1,311,861)	(1,311,861)
At 1 January 2021	2,000	(70,293)	16,165,886	16,097,593
Comprehensive income for the year				
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
Total comprehensive income for the year	-	146,866	5,109,645	5,256,511
Dividends: Equity capital	-	-	(3,500,131)	(3,500,131)
Total transactions with owners	-	-	(3,500,131)	(3,500,131)
At 31 December 2021	2,000	76,573	17,775,400	17,853,973

The notes on pages 18 to 34 form part of these financial statements.

NEW ERA CAP COMPANY LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2020	2,000	15,183,012	15,185,012
Profit for the year	-	981,281	981,281
	-	981,281	981,281
Total comprehensive income for the year			
Contributions by and distributions to owners			
Dividends: Equity capital	-	(1,311,861)	(1,311,861)
At 1 January 2021	2,000	14,852,432	14,854,432
Profit for the year	-	5,317,612	5,317,612
	-	5,317,612	5,317,612
Total comprehensive income for the year			
Contributions by and distributions to owners			
Dividends: Equity capital	-	(3,500,131)	(3,500,131)
At 31 December 2021	2,000	16,669,913	16,671,913

The notes on pages 18 to 34 form part of these financial statements.

NEW ERA CAP COMPANY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	5,256,511	1,034,129
Adjustments for:		
Depreciation of tangible assets	319,854	374,207
Loss on disposal of tangible assets	-	35,385
Government grants	(13,639)	(397,529)
Interest paid	845	1,398
Interest received	(2,873)	(138)
Taxation charge	1,290,527	348,225
(Increase) in stocks	(1,228,933)	(45,314)
(Increase)/decrease in debtors	(5,836,934)	5,993,704
Decrease/(increase) in amounts owed by groups	3,792,520	(4,122,978)
Increase/(decrease) in creditors	5,812,495	(748,934)
Increase/(decrease) in amounts owed to groups	4,231,013	(460,826)
Corporation tax (paid)	(1,077,456)	(206,567)
Net cash generated from operating activities	12,543,930	1,804,762
Cash flows from investing activities		
Purchase of tangible fixed assets	(11,659)	(89,332)
Government grants received	13,639	397,529
Interest received	2,873	130
Net cash from investing activities	4,853	308,335
Cash flows from financing activities		
Dividends paid	(3,500,131)	(1,311,861)
Interest paid	(845)	(1,398)
Net cash used in financing activities	(3,500,976)	(1,313,259)
Net increase in cash and cash equivalents	9,047,807	799,838
Cash and cash equivalents at beginning of year	2,868,824	2,068,986
Cash and cash equivalents at the end of year	11,916,631	2,868,824
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	11,916,631	2,868,824

The notes on pages 18 to 34 form part of these financial statements.

NEW ERA CAP COMPANY LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	2,868,824	9,047,807	11,916,631
	<u>2,868,824</u>	<u>9,047,807</u>	<u>11,916,631</u>

The notes on pages 18 to 34 form part of these financial statements.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Turnover

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

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	22,340,892	16,167,784
Rest of Europe	75,367,957	53,402,844
Rest of the world	6,981,840	2,361,353
	<u>104,690,689</u>	<u>71,931,981</u>

5. Other operating income

	2021 £	2020 £
Government grants receivable	<u>13,639</u>	<u>397,529</u>

6. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Exchange differences	1,007,536	(774,927)
Other operating lease rentals	<u>1,770,237</u>	<u>1,199,419</u>

7. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	46,675	45,320
All other services	13,325	13,045
	<u>60,000</u>	<u>58,365</u>

NEW ERA CAP COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Employees

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	8,732,473	7,670,627	7,936,895	6,929,969
Social security costs	1,185,981	1,019,864	1,185,981	1,019,864
Cost of defined contribution scheme	270,198	260,192	270,198	260,192
	10,188,652	8,950,683	9,393,074	8,210,025

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

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Administration	57	56	57	56
Sales and Marketing	110	102	87	80
	167	158	144	136

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	1,058,409	993,775
Company contributions to defined contribution pension schemes	-	14,341
	1,058,409	1,008,116

During the year retirement benefits were accruing to no directors (2020 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £769,466 (2020 - £702,267).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2020 - £8,807).

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.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Interest receivable

	2021 £	2020 £
Other interest receivable	<u>2,873</u>	<u>138</u>

11. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	<u>845</u>	<u>1,398</u>

12. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	1,300,795	366,238
Adjustments in respect of previous periods	3,044	(7,084)
Total current tax	<u>1,303,839</u>	<u>359,154</u>
Deferred tax		
Origination and reversal of timing differences	(13,312)	(10,929)
Total deferred tax	<u>(13,312)</u>	<u>(10,929)</u>
Taxation on profit on ordinary activities	<u>1,290,527</u>	<u>348,225</u>

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>6,547,038</u>	<u>1,382,354</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,243,937	262,647
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	11,464	81,715
Capital allowances for year in excess of depreciation	13,221	18,230
Adjustments to tax charge in respect of prior periods	3,044	(7,084)
Other timing differences leading to an increase (decrease) in taxation	18,861	(7,283)
Total tax charge for the year	<u>1,290,527</u>	<u>348,225</u>

Factors that may affect future tax charges

Legislation will be introduced in Finance Bill 2021 to set the charge to Corporation Tax and set the main rate of Corporation Tax for all non-ring fence profits to 19% for Financial Year 2022 and to set the charge to Corporation Tax and set the main rate at 25% for Financial Year 2023. Legislation will also introduce a small profits rate and will set this at 19%.

The small profits rate will apply to profits below the lower limit of £50,000 and profits exceeding the upper limit of £250,000 will be charged at the main rate. The thresholds that apply for determining whether a company is chargeable at the small ring fence profits rate at s279E Corporation Tax Act 2010 will be aligned with these limits.

The group has capital losses of £577,869 (2020 - £577,869) to offset against future capital profits, but due to the uncertainty of when this will arise, the asset of £109,795 (2020 - £104,016) has not been provided for.

13. Dividends

	2021 £	2020 £
Ordinary Shares	<u>3,500,131</u>	<u>1,311,861</u>

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Tangible fixed assets

Group

	Long term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 January 2021	2,347,122	32,767	1,194,177	3,574,066
Additions	-	-	11,659	11,659
Exchange adjustments	(22,731)	-	(11,116)	(33,847)
At 31 December 2021	<u>2,324,391</u>	<u>32,767</u>	<u>1,194,720</u>	<u>3,551,878</u>
Depreciation				
At 1 January 2021	1,366,613	31,399	1,042,743	2,440,755
Charge for the year on owned assets	255,869	542	61,480	317,891
Exchange adjustments	(11,363)	-	(9,673)	(21,036)
At 31 December 2021	<u>1,611,119</u>	<u>31,941</u>	<u>1,094,550</u>	<u>2,737,610</u>
Net book value				
At 31 December 2021	<u>713,272</u>	<u>826</u>	<u>100,170</u>	<u>814,268</u>
At 31 December 2020	<u>980,509</u>	<u>1,368</u>	<u>151,434</u>	<u>1,133,311</u>

NEW ERA CAP COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Tangible fixed assets (continued)

Company

	Long Term Leasehold Property £	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 January 2021	1,975,741	32,767	1,012,508	3,021,016
At 31 December 2021	1,975,741	32,767	1,012,508	3,021,016
Depreciation				
At 1 January 2021	1,180,948	31,399	884,665	2,097,012
Charge for the year on owned assets	183,809	542	47,651	232,002
At 31 December 2021	1,364,757	31,941	932,316	2,329,014
Net book value				
At 31 December 2021	610,984	826	80,192	692,002
At 31 December 2020	794,793	1,368	127,843	924,004

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2021	59,454
At 31 December 2021	<u>59,454</u>
Net book value	
At 31 December 2021	<u>59,454</u>
At 31 December 2020	<u>59,454</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Finished goods and goods for resale	<u>10,614,056</u>	<u>9,385,123</u>	<u>10,580,793</u>	<u>9,322,173</u>

Stock recognised in cost of sales during the year as an expense was £37,241,211 (2020 - £27,315,553).

The carrying value of stocks are stated net of impairment losses totalling £2,192,154 (2020 - £2,192,154). Impairment losses totalling £nil (2020 - £371,597) were recognised in profit and loss.

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	11,391,428	5,906,224	11,390,846	5,906,224
Amounts owed by group undertakings	1,391,736	5,184,256	377,191	5,184,256
Other debtors	2,835,952	2,585,073	2,816,282	2,562,280
Prepayments and accrued income	352,542	328,766	346,732	317,935
Deferred taxation	9,763	-	9,763	-
	<u>15,981,421</u>	<u>14,004,319</u>	<u>14,940,814</u>	<u>13,970,695</u>

18. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	<u>11,916,631</u>	<u>2,868,824</u>	<u>11,633,507</u>	<u>2,567,392</u>

19. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	1,608,420	452,161	1,599,457	451,491
Amounts owed to group undertakings	5,440,025	1,209,012	5,331,455	1,990,941
Corporation tax	211,987	-	210,496	-
Other taxation and social security	536,978	209,640	536,972	209,640
Other creditors	719,420	538,953	710,000	529,836
Accruals and deferred income	12,955,573	8,880,669	12,846,277	8,803,829
	<u>21,472,403</u>	<u>11,290,435</u>	<u>21,234,657</u>	<u>11,985,737</u>

NEW ERA CAP COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Deferred taxation

Group

	2021 £	2020 £
At beginning of year	(3,549)	(14,478)
Charged to the profit or loss	13,312	10,929
At end of year	9,763	(3,549)

Company

	2021 £	2020 £
At beginning of year	(3,549)	(14,478)
Charged to the profit or loss	13,312	10,929
At end of year	9,763	(3,549)

The deferred taxation balance is made up as follows:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Accelerated capital allowances	9,763	<i>(3,549)</i>	9,763	<i>(3,549)</i>

21. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
2,000 (2020 - 2,000) Ordinary shares shares of £1 each	2,000	2,000

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 continued to have an agreement to guarantee the borrowings of New Era Cap LLC (formerly New Era Cap Co. Inc). The guarantee, pledge and security is unconditional and on a joint and several basis for any liabilities to Kayne Senior Credit III Loanco, LLC against all group assets in any company, whether present and after-acquired personal property and rights. These were satisfied in January 2022.

The group arrangements were replaced with Jefferies Finance Llc and Bank of America, N.A charges in January 2022. These were debentures, guarantee 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 £270,198 (2020 - £260,192). Contributions totalling £43,205 (2020 - £37,213) were payable to the fund at the balance sheet date and are included in creditors.

25. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	1,387,214	1,341,486	1,288,035	1,236,831
Later than 1 year and not later than 5 years	4,369,198	5,168,121	4,328,401	5,043,217
Later than 5 years	968,938	1,380,102	968,938	1,380,102
	<u>6,725,350</u>	<u>7,889,709</u>	<u>6,585,374</u>	<u>7,660,150</u>

NEW ERA CAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

25. Commitments under operating leases (continued)

The following changes in lease payments arising from rent concessions occurring as a direct consequence of the COVID-19 pandemic have been recognised as a reduction in expense in profit or loss.

	Group 2021 £	Group 2020 £
Changes in lease payments arising from COVID-19 related rent concessions	-	70,625

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 £224,588 (2020 - £179,048) in respect of goods and recharged expenses by New Era Cap Company Limited. New Era Cap Company Limited was recharged £26,742,177 (2020 - £18,496,453) for recharged expenses. At the year end, included within creditors New Era Cap LLC (formerly New Era Cap Co. Inc) was owed £2,655,497 (2020 - was owed from New Era Cap LLC (formerly New Era Cap Co. Inc) £4,215,638).

During the year, New Era Cap Company Limited paid expenses on behalf of New Era Cap SL for a total of £1,126,164 (2020 - £1,221,733). At the year end £260,862 (2020 - £269,594) 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 £132,942 (2020 - £140,928). At the year end, included within creditors, New Era Cap Company Limited owed £42,077 (2020 - New Era Cap Company Limited was owed £966,988) 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 £1,829,155 (2020 - £1,046,684) 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 £1,089,853 (2020 - £937,788). 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.