

Company Registration No. 05480650 (England and Wales)

UNITED BRANDS OF SCANDINAVIA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

St Matthew's House
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United Kingdom
BS20 7LZ

UNITED BRANDS OF SCANDINAVIA LIMITED

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UNITED BRANDS OF SCANDINAVIA LIMITED

COMPANY INFORMATION

Directors	Mrs A Frewer Mr C G Harstedt Mr U T Jansson Mr S T Jansson
Company number	05480650
Registered office	Unit 1 Hirwaun Industrial Estate Hirwaun Aberdare CF44 9UP
Auditor	TC Group St Matthew's House Quays Office Park Conference Avenue Portishead Bristol United Kingdom BS20 7LZ
Business address	Unit 1 Hirwaun Industrial Estate Hirwaun Aberdare CF44 9UP

UNITED BRANDS OF SCANDINAVIA LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

Principal activities

The principal activity of the company in the year under review was that of the sale of workwear, sportswear and gifts in the corporate sector.

Results and dividends

No dividends will be distributed for the year ended 31 December 2021.

Directors

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

Mrs A Frewer
Mr C G Harstedt
Mr U T Jansson
Mr S T Jansson

Financial Investments and Risk

United Brands of Scandinavia Limited, is exposed to various financial risks. These financial risks are currency, borrowings, interest, liquidity and credit exposure. In order to minimise the effect of these risks, the company relies on the support and management of these risks by New Wave Group AB, its parent company, who have established financial policies, that it expects Group companies to adhere to. The goal is for the central finance function to use the Group's economy of scale and assist subsidiaries with professional service. As disclosed in note 23, a copy of the parent company New Wave Group AB accounts can be obtained that disclose the full risks the group is exposed to and the management of those risks.

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

UNITED BRANDS OF SCANDINAVIA LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. 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 of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board

Mrs A Frewer
Director

23 March 2022

UNITED BRANDS OF SCANDINAVIA LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UNITED BRANDS OF SCANDINAVIA LIMITED

Opinion

We have audited the financial statements of United Brands of Scandinavia Limited (the 'company') for the year ended 31 December 2021 which comprise the income statement, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the United Kingdom; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

UNITED BRANDS OF SCANDINAVIA LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF UNITED BRANDS OF SCANDINAVIA LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

UNITED BRANDS OF SCANDINAVIA LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF UNITED BRANDS OF SCANDINAVIA LIMITED

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (IFRS and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-rc>
; This description forms part of our auditor's report.

UNITED BRANDS OF SCANDINAVIA LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF UNITED BRANDS OF SCANDINAVIA LIMITED

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.

Amanda Kruger FCCA (Senior Statutory Auditor)

For and on behalf of TC Group

Statutory Auditor

Office: Portishead

23 March 2022

UNITED BRANDS OF SCANDINAVIA LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	£	£
Revenue	3	5,250,276	4,262,192
Cost of sales		(3,419,241)	(2,570,886)
Gross profit		1,831,035	1,691,306
Other operating income		41,283	116,905
Administrative expenses		(1,490,445)	(1,674,190)
Operating profit	4	381,873	134,021
Finance costs	7	(15,970)	(32,958)
Profit before taxation		365,903	101,063
Income tax (expense)/income	8	(93,723)	358,040
Profit and total comprehensive income for the year	21	272,180	459,103

UNITED BRANDS OF SCANDINAVIA LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Non-current assets			
Property, plant and equipment	9	969,249	1,037,943
Investments	10	86	-
		<u>969,335</u>	<u>1,037,943</u>
Current assets			
Inventories	12	4,170,939	3,705,975
Deferred tax asset	17	264,317	358,040
Trade and other receivables	13	1,010,434	1,068,401
Cash and cash equivalents		581,081	491,690
		<u>6,026,771</u>	<u>5,624,106</u>
Current liabilities			
Trade and other payables	15	1,278,136	1,174,807
Lease liabilities	16	37,914	36,918
		<u>1,316,050</u>	<u>1,211,725</u>
Net current assets		<u>4,710,721</u>	<u>4,412,381</u>
Non-current liabilities			
Lease liabilities	16	27,054	65,963
Deferred revenue	18	125,075	128,614
		<u>152,129</u>	<u>194,577</u>
Net assets		<u><u>5,527,927</u></u>	<u><u>5,255,747</u></u>

UNITED BRANDS OF SCANDINAVIA LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Equity			
Called up share capital	20	7,000,000	7,000,000
Retained earnings	21	(1,472,073)	(1,744,253)
Total equity		<u>5,527,927</u>	<u>5,255,747</u>

The financial statements were approved by the board of directors and authorised for issue on 23 March 2022 and are signed on its behalf by:

Mrs A Frewer
Director

Company Registration No. 05480650

UNITED BRANDS OF SCANDINAVIA LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 January 2020	7,000,000	(2,203,356)	4,796,644
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	459,103	459,103
Balance at 31 December 2020	7,000,000	(1,744,253)	5,255,747
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	272,180	272,180
Balance at 31 December 2021	7,000,000	(1,472,073)	5,527,927

UNITED BRANDS OF SCANDINAVIA LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	25		146,697		129,786
Interest paid			(15,970)		(32,958)
Net cash inflow from operating activities			130,727		96,828
Investing activities					
Purchase of property, plant and equipment		(3,337)		(6,858)	
Proceeds on disposal of property, plant and equipment		-		10,190	
Purchase of subsidiaries		(86)		-	
Net cash (used in)/generated from investing activities			(3,423)		3,332
Financing activities					
Payment of lease liabilities		(37,913)		(40,909)	
Net cash used in financing activities			(37,913)		(40,909)
Net increase in cash and cash equivalents			89,391		59,251
Cash and cash equivalents at beginning of year			491,690		432,439
Cash and cash equivalents at end of year			581,081		491,690

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

United Brands of Scandinavia Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 1, Hirwaun Industrial Estate, Hirwaun, Aberdare, CF44 9UP.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

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

There are no new standards, interpretations or amendments issued by the IASB that are applicable to the year ended 31 December 2021.

The financial statements have been prepared under the historical cost convention, no new policies were issued by IASB that are applicable to these Financial Statements. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

United Brands of Scandinavia Limited is a wholly owned subsidiary of New Wave Group AB and the results of United Brands of Scandinavia Limited are included in the consolidated financial statements of New Wave Group AB which are available to the company secretary at New Wave Group AB (publ), Org nr 556350-0916 Orrekulla Industrigata 61, SE-425 36 Hisings Kärra.

1.2 Going concern

The Financial Statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. In making their assessment the directors have reviewed the balance sheet, the likely future cash flows of the business and have considered the facilities and cash that are in place at this point in time. In light of the situation arising in the UK and globally in respect of Covid-19 and the measures taken by the UK Government to contain the virus, the day to day operations of the business at the start of the 2021 were significantly disrupted, however an improvement has been seen month on month as the restrictions have been easing off.

As a result, significant reductions in trade initially occurred, however, trading has subsequently begun to rebound resulting in 2021 being the best year in the company's history in terms of the achieved profits. This was achieved by the board having taken steps to manage more closely its overheads, and have utilised the Government's Job Retention Scheme to help facilitate staff salary payments during the lockdown periods.

The full impact of Covid 19 on the business and general economy is difficult to quantify at this time as the UK government has only relaxed all of the restrictions in February 2022, however the company has reviewed its cash flow requirements for the coming 12 months and have a reasonable expectation that they can continue in business and on that basis feel it appropriate to prepare the Financial Statements on a going concern basis.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.3 Revenue

(i) Sale of goods

The company recognises a sale when a sales invoice is issued to a customer. This occurs when the goods have been confirmed as despatched.

(ii) Government grants

Government grants received in respect of the purchase of property, plant & equipment are included in the Statement of Financial Position as deferred income and credited to the income statement over the useful economic lives of the related assets on a basis consistent with the depreciation policy.

Government grants received that are revenue in nature are credited to the income statement when due.

1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost net of depreciation and any impairment losses.

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

Freehold property	2% straight line
Fixtures and fittings	20% straight line
Plant and machinery	at varying rates straight line
Computer equipment	at varying rates straight line
Plant and machinery right of use assets	over life of lease

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss.

1.5 Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

1.6 Impairment of tangible and intangible assets

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

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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

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

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

1.7 Inventories

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

Cost is determined by including the cost of material and freight charges. If purchases are made in foreign currency, the amount is converted to sterling at the date the invoice is received.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

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

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Loans and receivables

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

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

Impairment of financial assets

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.11 Taxation

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

Current tax

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

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Employee benefits

(i) Retirement benefit costs and termination benefits

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the services that entitle them to that contribution.

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(ii) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees of the company in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service,

There are no liabilities in relation to long-term employee benefits.

1.13 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.14 Grants

Government grants are recognised when there is reasonable assurance that the grant conditions will be met and the grants will be received.

1.15 Foreign exchange

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

1.16 Provisions

Provisions are recognised where the company has a present legal or constructive obligation as a result of a past event or events, provided it is considered probable that the company will be required to settle the obligation, and that a reliable estimate can be made of its amount.

1.17 Share capital

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The company's ordinary shares are classified as equity instruments.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.18 Financial instruments

Financial instruments reported in the Statement of Financial Position include liquid funds, accounts receivables, trade liabilities and borrowings. Financial instruments are valued and reported in the company in accordance with IAS 39 requirements. Financial instruments are initially reported at acquisition cost equivalent to the instrument's fair value with the addition of transaction costs for receivables and liabilities valued at the accrued acquisition cost.

A financial asset or liability is reported in the Statement of Financial Position when the company becomes party to the instrument's contractual conditions. Accounts receivables are reported in the Statement of Financial Position when the invoice is sent. A liability is recognised when the opposite party has performed and a contractual obligation to pay exists, even if the invoice has not yet been received. Trade payables are reported at the time an invoice is received. A financial asset is removed from the Statement of Financial Position when the obligations of the agreement are fulfilled or lapse, or when the company loses control of the asset.

(i) Trade receivables

Trade receivables are initially recognised at their fair recoverable values, after due regard for amounts whose collection is doubtful. Trade receivables have a short anticipated term to collection and therefore are valued without discounting. Impairment losses arising from trade receivables are recognised as expense.

(ii) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year and which were unpaid at that date. The amounts are unsecured and are usually paid within the suppliers' credit terms. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at fair value and having a short anticipated term to payment are valued without discounting.

(iii) Liquid funds and borrowings

Short term investments consist of liquid bank funds without a commitment period and therefore the market value is judged to correspond to book value. Borrowings consist of liabilities to the parent company. The liabilities are reported in the Statement of Financial Position at acquisition cost at settlement date, plus accrued interest. Interest expenses reported in the Statement of Profit or Loss over the same periods as the expenses.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimate.

(ii) Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

(iii) Inventory provisioning

When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability of stock held due to customer demand.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Revenue

An analysis of the company's revenue is as follows:

	2021	2020
	£	£
Revenue analysed by class of business		
United Kingdom	4,145,143	3,411,773
Europe	1,099,408	845,193
Other	5,725	5,226
	<u>5,250,276</u>	<u>4,262,192</u>

	2021	2020
	£	£
Other significant revenue		
Grants received	<u>41,283</u>	<u>116,905</u>

Other operating income

Included in Grants Received is release of a government grant of £3,539 (2020: £3,598). The total amount of government grant received is being held in the Statement of Financial Position as deferred income and is being released to the income statement in accordance with useful economic life of the asset to which it relates.

In addition, £25,182 (2020: £113,307) included in Grants Received relates to grants receivable from the Coronavirus Job Retention Scheme from the UK government.

Further £12,562 (2020: £nil) was received in respect of other employee related grants.

4 Operating profit

	2021	2020
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	12,275	11,141
Government grants	(41,283)	(116,905)
Depreciation of property, plant and equipment	72,031	74,781
(Profit)/loss on disposal of property, plant and equipment	-	2,226
Amortisation of intangible assets (included within administrative expenses)	-	323
Cost of inventories recognised as an expense	<u>3,419,241</u>	<u>2,570,886</u>

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Employees

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

	2021 Number	2020 Number
Management and Administration	12	14
Warehousing	7	6
Total	19	20

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	493,825	482,373
Social security costs	37,934	41,016
Pension costs	8,989	8,695
	540,748	532,084

6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	72,986	59,220
Company pension contributions to defined contribution schemes	1,313	1,284
	74,299	60,504

7 Finance costs

	2021 £	2020 £
Other interest payable	15,970	32,958

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Income tax expense

	2021	2020
	£	£
Deferred tax		
Origination and reversal of temporary differences	93,723	(358,040)
	<u> </u>	<u> </u>

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

The charge for the year can be reconciled to the profit per the income statement as follows:

	2021	2020
	£	£
Profit before taxation	365,903	101,063
	<u> </u>	<u> </u>
Expected tax charge based on a corporation tax rate of 19.00% (2020: 19.00%)	69,522	19,202
Effect of expenses not deductible in determining taxable profit	214	197
Utilisation of tax losses not previously recognised	-	(1,953)
Unutilised tax losses carried forward	1,462	(358,040)
Depreciation in excess of capital allowances	13,527	8,014
Movement in provisions	8,998	(25,460)
	<u> </u>	<u> </u>
Taxation charge/(credit) for the year	93,723	(358,040)
	<u> </u>	<u> </u>

Changes to corporation tax rate

The Finance Act 2021 was substantially enacted in May 2021 and has increased the corporation tax rate to from 19% to 25% with effect from 1 April 2023. The deferred taxation balances at the balance sheet date have been measured using the 19% rate to be prudent. For further information on deferred tax balances see note 17.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Property, plant and equipment

	Freehold property fixtures and fittings		Plant and machinery	Computer equipment	Plant and machinery right of use assets	Total
	£	£	£	£	£	£
Cost						
At 1 January 2021	1,290,761	125,811	93,511	38,836	115,024	1,663,943
Additions	-	-	-	3,337	-	3,337
At 31 December 2021	1,290,761	125,811	93,511	42,173	115,024	1,667,280
Accumulated depreciation and impairment						
At 1 January 2021	366,602	118,785	58,193	34,971	47,449	626,000
Charge for the year	27,806	2,453	14,853	2,845	24,074	72,031
At 31 December 2021	394,408	121,238	73,046	37,816	71,523	698,031
Carrying amount						
At 31 December 2021	896,353	4,573	20,465	4,357	43,501	969,249
At 31 December 2020	924,159	7,026	35,318	3,865	67,575	1,037,943

10 Investments

	Current		Non-current	
	2021	2020	2021	2020
	£	£	£	£
Investments in subsidiaries	-	-	86	-

Fair value of financial assets carried at amortised cost

The directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Investments **(Continued)**

Movements in non-current investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 January 2021	-
Additions	86
	<hr/>
At 31 December 2021	86
	<hr/>
Carrying amount	
At 31 December 2021	86
	<hr/>
At 31 December 2020	-
	<hr/>

11 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Principal activities	Class of shares held	% Held Direct
United Brands Textiles Ireland Limited	Ireland	Sale of workwear, sportswear and gifts in the corporate sector	Ordinary	100.00

On 12 February 2021 the company acquired 100% of the issued share capital of the above subsidiary at a cost of £86.

The Investments in subsidiaries are all stated at cost.

12 Inventories

	2021 £	2020 £
Finished goods	4,170,939	3,705,975
	<hr/>	<hr/>

Included within inventories above is a provision for slow-moving goods of £65,817 (2020: £87,017).

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Trade and other receivables

	2021	2020
	£	£
Trade receivables	935,288	1,074,148
Provision for bad and doubtful debts	(107,765)	(137,555)
	<u>827,523</u>	<u>936,593</u>
Amounts owed by fellow group undertakings	119,150	78,672
Other receivables	3,156	5,608
Prepayments	60,605	47,528
	<u>1,010,434</u>	<u>1,068,401</u>

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

Total trade receivables (net of allowances) held by the company at 31 December 2021 amounted to £827,523 (2020: £936,593). The average credit period taken on sales of goods is 63 days (2020: 92 days).

The company has recognised an allowance for doubtful debts of £107,765 (2020: £137,555) against specific trade receivables not considered recoverable. Allowances against doubtful debts are recognised against trade receivables past 60 days due based on estimated irrecoverable amounts determined by reference to past default experience and an analysis of the counterparty's current financial position.

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the reporting date but against which the company has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable.

The ageing of past due but not impaired receivables are as follows:

14 Trade receivables - credit risk

Fair value of trade receivables

Ageing of past due but not impaired receivables	2021	2020
	£	£
60 - 90 Days	60,961	19,013
90 - 120 Days	94,741	135,104
	<u>155,702</u>	<u>154,117</u>

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Trade receivables - credit risk

(Continued)

No significant receivable balances are impaired at the reporting end date.

Movement in the allowances for doubtful debts	2021	2020
	£	£
Balance at 1 January 2021	106,825	95,000
Additional allowance recognised	-	42,555
Unwinding of discount	940	-
	<u>107,765</u>	<u>137,555</u>
Balance at 31 December 2021	<u>107,765</u>	<u>137,555</u>

15 Trade and other payables

	2021	2020
	£	£
Trade payables	393,033	170,052
Amounts owed to subsidiary undertakings	752	-
Amounts owed to fellow group undertakings	619,468	720,298
Accruals	72,429	55,786
Social security and other taxation	177,762	205,976
Other payables	14,692	22,695
	<u>1,278,136</u>	<u>1,174,807</u>

16 Lease liabilities

	2021	2020
	£	£
Maturity analysis		
Within one year	37,914	36,918
In two to five years	27,053	65,963
	<u>64,967</u>	<u>102,881</u>
Total undiscounted liabilities	<u>64,967</u>	<u>102,881</u>

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Lease liabilities

(Continued)

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2021	2020
	£	£
Current liabilities	37,914	36,918
Non-current liabilities	27,054	65,963
	<u>64,968</u>	<u>102,881</u>

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 19% (2020: 19%). As discussed in note 8, the enacted reduction on the main rate of corporation tax to 17% was repealed during the year and a rate of 19% remains for years starting 1 April 2021. Therefore the rate of 19% has been applied to all deferred tax balances at the balance sheet date. Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the directors believe it is probable that these assets will be recovered based upon business forecasts. Details of the deferred tax liability, amounts recognised in profit or loss and amounts recognised in other comprehensive income are as follows:

	ACAs	Tax losses	Total
	£	£	£
Deferred tax balance at 1 January 2020	-	-	-
Deferred tax movements in prior year			
Credit to profit or loss	1,313	(359,353)	(358,040)
Deferred tax asset at 1 January 2021	<u>1,313</u>	<u>(359,353)</u>	<u>(358,040)</u>
Deferred tax movements in current year			
Credit to profit or loss	(1,313)	95,036	93,723
Deferred tax asset at 31 December 2021	<u>-</u>	<u>(264,317)</u>	<u>(264,317)</u>

The accumulated tax losses can be carried forward indefinitely.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Deferred revenue

	2021	2020
	£	£
Arising from government grants	125,075	128,614
	<u>125,075</u>	<u>128,614</u>

Analysis of deferred revenue

Deferred revenues are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2021	2020
	£	£
Non-current liabilities	125,075	128,614
	<u>125,075</u>	<u>128,614</u>

19 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £8,989 (2020 - £8,695).

20 Share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary Shares of £5000 each	1,400	1,400	7,000,000	7,000,000

The ordinary share capital holds full rights in respect of voting, and shall entitle the holder to full participation in respect of equity and in the event of winding up of the company. The shares may be considered by the director when considering dividends.

21 Retained earnings

	2021	2020
	£	£
At the beginning of the year	(1,744,253)	(2,203,356)
Profit for the year	272,180	459,103
	<u>(1,472,073)</u>	<u>(1,744,253)</u>

UNITED BRANDS OF SCANDINAVIA LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****22 Related party transactions****Other transactions with related parties**

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

	Sale of goods		Purchase of goods	
	2021	2020	2021	2020
	£	£	£	£
Subsidiaries	939,563	323,420	849,167	290,152
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2021	2020
	£	£
Amounts due to related parties		
Parent company	498,767	658,014
Subsidiaries	121,452	62,284
	<u> </u>	<u> </u>
	620,219	720,298
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2021	2020
	£	£
Amounts due from related parties		
Subsidiaries	119,150	72,672
	<u> </u>	<u> </u>

The amounts owed to and from fellow group undertakings have standard 60 day payment terms attached.

No guarantees have been given or received.

23 Controlling party

The company's ultimate parent company and controlling party is New Wave Group AB, a company registered in Sweden.

New Wave Group AB is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the ultimate parent's consolidated financial statements may be obtained from the company secretary at New Wave Group AB (publ), Org nr 556350-0916 Orrekulla Industrigata 61, SE-425 36 Hisings Kärra.

UNITED BRANDS OF SCANDINAVIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

24 Financial instruments and risk management

United Brands of Scandinavia Limited is exposed to various financial risks. These financial risks are currency, borrowings, interest, liquidity and credit exposure. In order to minimise the effect of these risks, the company relies on the support and management of these risks by its parent company, New Wave Group AB, who have established financial policies that it expects Group companies to adhere to. The goal is for the central finance function to use the Group's economy of scale and assist subsidiaries with professional service.

As disclosed in note 23 a copy of the parent company's financial statements, which discloses the full risks that the group is exposed to and the management of those risks, can be obtained from the company secretary of New Wave Group AB.

25 Cash generated from operations

	2021	2020
	£	£
Profit for the year after tax	272,180	459,103
Adjustments for:		
Taxation charged/(credited)	93,723	(358,040)
Finance costs	15,970	32,958
(Gain)/loss on disposal of property, plant and equipment	-	2,226
Amortisation and impairment of intangible assets	-	323
Depreciation and impairment of property, plant and equipment	72,031	74,781
Movements in working capital:		
(Increase)/decrease in inventories	(464,964)	196,216
Decrease in trade and other receivables	57,967	453,921
Increase/(decrease) in trade and other payables	103,329	(728,163)
Decrease in deferred revenue outstanding	(3,539)	(3,539)
Cash generated from operations	146,697	129,786

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.