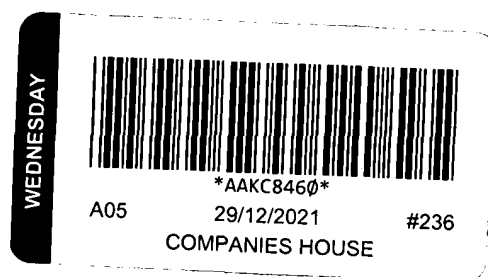


Company Registration No. 05985737 (England and Wales)

REDGRAVE LUXURY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2020



REDGRAVE LUXURY LIMITED

COMPANY INFORMATION

Directors	P D B Harrison S J Harrison
Company number	05985737
Registered office and business address	Unit 03, Kingfisher House Battersea Reach Juniper Drive London SW18 1TX
Independent Auditors	Azets Audit Services Trinity Court 34 West Street Sutton Surrey SM1 1SH
Bankers	HSBC Bank plc 60 Queen Victoria Street London EC4N 4TR

REDGRAVE LUXURY LIMITED

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REDGRAVE LUXURY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Fair review of the business

The principal activity of the company continued to be that of the sale of luxury goods. Additionally, the company has a 50% interest in Richard Mille Europe, Middle East and Africa Limited, which supplies and distributes luxury watches.

The company continues to benefit from its shareholding in Richard Mille Europe, Middle East and Africa Limited. The turnover of the main company in the Group, Redgrave Luxury Limited, decreased in 2020 partly due to the Covid pandemic. However, as has been proved in previous years, as a highly specialist provider of luxury goods to a niche customer base year to year performance can fluctuate.

The Group incorporated a new subsidiary, Ninety Watches and Jewellery Limited, in 2020. This company trades as a retailer of second-hand luxury watches and jewellery. It also serves as the first official second-hand retailer of the Richard Mille brand in the EMEA region. Initial trading in late 2020 and into the first half of 2021 has been very strong and confirmed there is a very active and lucrative second-hand market available to the company.

Principal risks and uncertainties

The directors do not believe the company is at a higher risk than any other similarly positioned / structured luxury goods company, but it is a fact that external geo-political factors are virtually impossible to plan for and can impact such businesses.

The company manages its financial risks in a number of ways. Most products are sold in the same currency as the purchase is made to reduce the risk of foreign exchange fluctuations. The company also continues to ensure all products are paid for in full before any sale is completed to avoid any potential payment defaults. The company continues to bank with a AA rated banking institution to ensure its funds are as secure as possible.

Future developments

The directors do not expect any change in the company's activities in the next financial year.

Development and performance

The group made a pre-tax profit of £13,644,186 (2019: £20,047,943) for the year on a turnover of £8,250,265 (2019: £30,855,475). At 31 December 2020, the company had net assets of £49,527,899 (2019: £40,795,542).

Due to the varied customer base and often bespoke or special requests it is inevitable that pricing and therefore margin will vary on a product by product basis. This inevitably creates difficulty around accurate forecasting. The directors expected the decrease in turnover in 2020 but they expect a similar level of turnover in 2021 and subsequent years.

Key performance indicators

In the opinion of the directors the Key Performance Indicators are turnover and gross profit margin. The directors do not believe there are any other Key Performance Indicators whose disclosure is necessary for an understanding of the development, performance or position of the business.

1. Turnover:

Turnover decreased by 73.3% in the year which is in line with directors' expectations and was due to the impact of the pandemic, as well as the exceptional performance in 2019. Despite the decrease the directors' are satisfied with the performance, especially of the strong start to trading by Ninety Watches and Jewellery Limited.

2. Gross Profit Margin:

Gross profit margin increased to 43.3% (2019: 39.1%) mainly due to the results from the new subsidiary, Ninety Watches and Jewellery Limited.

On behalf of the board



S J Harrison

Director

23/12/2021

REDGRAVE LUXURY LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

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

Principal activities

The principal activity of the company continued to be that of the sale of luxury goods. Additionally, the company has a 50% interest in Richard Mille Europe, Middle East and Africa Limited, which supplies and distributes luxury watches.

Directors

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

P D B Harrison
C L Harrison (resigned 8th June 2021)
S J Harrison

Results and dividends

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

Ordinary dividends were paid amounting to £4,419,830. The directors recommend a final dividend of £1,655,000 is paid.

Financial instruments and financial risk management

The company's financial instruments are set out at note 16. The directors have considered the impact of adverse changes in financial risks, including market, currency, interest rate and liquidity risks. The directors have determined that adverse changes in the financial risks will have limited direct impact on the financial performance and position of the company.

Independent Auditors

Azets were appointed as auditors under section 487(2) of the Companies Act 2006.

Statement of disclosure of information to auditors

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

On behalf of the board



S J Harrison

Director

23/12/2021

REDGRAVE LUXURY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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.

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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REDGRAVE LUXURY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REDGRAVE LUXURY LIMITED

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2020 and of the group's 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

REDGRAVE LUXURY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF REDGRAVE LUXURY LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

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

REDGRAVE LUXURY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF REDGRAVE LUXURY LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Azets Audit Services

Sam Thomas (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Date: 23/12/2021.....

Statutory Auditor

Trinity Court
34 West Street
Sutton
Surrey
United Kingdom
SM1 1SH

REDGRAVE LUXURY LIMITED
GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

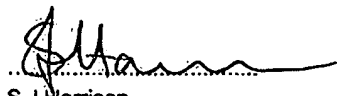
	Note	2020 £	2019 £
Turnover	3	8,250,265	30,855,475
Cost of sales		(4,673,096)	(18,787,133)
Gross profit		3,577,169	12,068,342
Distribution costs		(99,887)	(342,238)
Administrative expenses		(2,127,057)	(3,173,576)
Other operating income	3	495,520	437,500
Waiver of debts owing from companies under common control		-	(5,163)
Operating profit	4	1,845,745	8,984,865
Income from participating interests	3 & 8	11,227,175	10,857,150
Other interest receivable and similar income	3 & 8	585,847	213,597
Interest payable and similar expenses	9	(14,581)	(7,669)
Profit before taxation		13,644,186	20,047,943
Tax on profit	10	(491,999)	(1,790,979)
Profit for the financial year		13,152,187	18,256,964

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

REDGRAVE LUXURY LIMITED
GROUP BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	12		4,919,258		4,590,651
Investments	13		3,377,388		3,377,388
Financial Asset			1,952,240		-
			<u>10,248,886</u>		<u>7,968,039</u>
Current assets					
Stocks	17	5,321,253		2,821,806	
Debtors	18	16,644,816		17,003,760	
Cash at bank and in hand		25,349,669		19,737,551	
			<u>47,315,738</u>	<u>39,563,117</u>	
Creditors: amounts falling due within one year	19	(8,036,724)		(6,735,614)	
Net current assets			<u>39,279,014</u>	<u>32,827,503</u>	
Total assets less current liabilities			<u>49,527,899</u>	<u>40,795,542</u>	
Net assets			<u>49,527,899</u>	<u>40,795,542</u>	
Capital and reserves					
Called up share capital	20		100		100
Profit and loss account	22		49,527,799		40,795,442
Total equity			<u>49,527,899</u>	<u>40,795,542</u>	

The financial statements on pages 7 to 27 were approved by the board of directors and authorised for issue on 23 December 2021 and are signed on its behalf by:



S J Harrison
Director

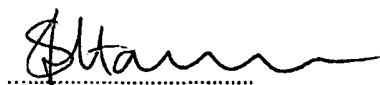
Company Registration No. 05985737

REDGRAVE LUXURY LIMITED
COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	12		4,133,617		3,654,328
Investments	13		3,378,544		3,378,444
Financial Asset			1,952,240		-
			<u>9,464,401</u>		<u>7,032,772</u>
Current assets					
Stocks	17	4,243,569		2,821,807	
Debtors	18	20,685,774		18,390,747	
Cash at bank and in hand		22,510,229		19,463,734	
			<u>47,439,572</u>	<u>40,676,288</u>	
Creditors: amounts falling due within one year	19	(7,630,525)		(6,650,148)	
Net current assets			<u>39,809,047</u>	<u>34,026,140</u>	
Total assets less current liabilities			<u>49,273,448</u>	<u>41,058,912</u>	
Net assets			<u>49,273,448</u>	<u>41,058,912</u>	
Capital and reserves					
Called up share capital	20		100		100
Profit and loss account	22		49,273,348		41,058,812
Total equity			<u>49,273,448</u>	<u>41,058,912</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £12,634,366 (2019: £18,498,297).

The financial statements on pages 7 to 27 were approved by the board of directors and authorised for issue on 23 December 2021 and are signed on its behalf by:



S J Harrison
Director

Company Registration No. 05985737

REDGRAVE LUXURY LIMITED
GROUP AND COMPANY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

Group	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2019	100	23,784,782	23,784,882
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	18,256,964	18,256,964
Dividends	-	(1,246,304)	(1,246,304)
Balance at 31 December 2019	100	40,795,442	40,795,542
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	13,152,187	13,152,187
Dividends	-	(4,419,830)	(4,419,830)
Balance at 31 December 2020	100	49,527,799	49,527,899

Company	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2019	100	23,806,818	23,806,918
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	18,498,298	18,498,298
Dividends	-	(1,246,304)	(1,246,304)
Balance at 31 December 2019	100	41,058,812	41,058,912
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	12,634,366	12,634,366
Dividends	-	(4,419,830)	(4,419,830)
Balance at 31 December 2020	100	49,273,348	49,273,448

REDGRAVE LUXURY LIMITED
GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Note	£	£
Cash flows from operating activities			
Cash generated from operations	26	4,156,335	5,094,960
Interest paid		(14,581)	-
Income taxes paid		(1,280,304)	-
Net cash inflow from operating activities		2,861,450	5,094,960
Investing activities			
Purchase of fixed asset investments		-	(2,952,022)
Purchase of tangible assets		(1,134,706)	(3,821,825)
Proceeds from disposal of tangible assets		817,578	-
Loans to undertakings in which the company has a participating interest		(5,303,923)	(1,041,880)
Other investment income received		11,227,175	10,857,150
Net cash generated from/(used in) Investing activities		5,606,124	3,041,423
Financing activities			
Increase in directors' loan account		(932,871)	(3,660,366)
Loans to employees		(1,952,240)	-
Loans from undertakings in which the company has a participating interest		449,485	3,000,000
Dividends paid		(419,830)	(796,304)
Net cash used in financing activities		(2,855,456)	(1,456,670)
Net increase in cash and cash equivalents		5,612,118	6,679,713
Cash and cash equivalents at beginning of year		19,737,551	13,057,838
Cash and cash equivalents at end of year		25,349,669	19,737,551

REDGRAVE LUXURY LIMITED
COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
Cash flows from operating activities					
Cash generated from operations	26		3,799,774		5,690,077
Interest paid			(14,581)		-
Income taxes paid			(1,280,304)		-
Net cash inflow from operating activities			2,504,889		5,690,077
Investing activities					
Purchase of fixed asset investments		-		(2,952,022)	
Purchase of tangible assets		(666,190)		(3,654,328)	
Loans to undertakings in which the company has a participating interest		(5,303,923)		(1,041,880)	
Other investment income received		11,227,175		10,857,150	
Net cash generated from/(used in) Investing activities			5,257,062		3,208,920
Financing activities					
(Increase)/decrease in directors' loan account		(932,871)		(3,660,366)	
Loans to employees		(1,952,240)			
Interest received		13,000		-	
Loans to subsidiary undertakings and companies under common control		(1,423,515)			
Loans from undertakings in which the company has a participating interest		-		3,000,000	
Dividends paid		(419,830)		(796,304)	
Net cash used in financing activities			(4,715,456)		(1,456,670)
Net increase in cash and cash equivalents			3,046,495		7,442,327
Cash and cash equivalents at beginning of year			19,463,734		12,021,407
Cash and cash equivalents at end of year			22,510,229		19,463,734

REDGRAVE LUXURY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Redgrave Luxury Limited is a private company limited by shares incorporated and domiciled in the United Kingdom. The registered office is Unit 03, Kingfisher House, Battersea Reach, Juniper Drive, London, SW18 1TX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006. The accounting policies have been applied consistently, other than where new policies have been adopted.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. At the time of approving the financial statements the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

1.3 Turnover

Turnover represents amounts receivable for the sale of luxury watches and goods net of VAT and trade discounts.

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

1.4 Fixed Asset Investments

Fixed asset investments comprise interest in jointly controlled entities, associates, subsidiary undertakings and jewellery held long term.

The investments 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.

Subsidiaries

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.

Jointly controlled entities

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Associates

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Jewellery and watches

Jewellery and watches which are held as investments over a long term.

REDGRAVE LUXURY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

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

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:

Buildings	2% straight line
Fixtures and fittings	20% - 33% straight line
Yachts and motor vehicles	20% - 33% straight line

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

1.6 Stocks

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

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

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

1.8 Financial Instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

REDGRAVE LUXURY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

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

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

Derecognition of financial assets

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

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Equity instruments

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

1.10 Taxation

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

Current tax

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

Deferred tax

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

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

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

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

1.12 Retirement benefits

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

1.13 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 are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

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.

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Judgement and key sources of estimation uncertainty

(Continued)

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

Key sources of estimation uncertainty

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

Impairment of trade debtors

An estimate of the collectible amount of a trade debtor is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision is applied according to the length of time past due, based on historical recovery rates.

Provision for doubtful debts is determined using a combination of factors, including the overall quality and ageing of receivables and continuing credit evaluation of the customers' financial strength. Management makes provision for doubtful debts based on its estimates at the end of the reporting date.

At the reporting date, trade debtors net of provisions for doubtful debts amounted to; Group £1,132,679 (2019: £6,694,021) and Company £1,104,962 (2019: £5,811,637). Group and Company provision for doubtful debts was £nil (2019: nil).

Impairment of amounts due from subsidiary undertakings, companies under common control and undertakings in which the company has a participating interest

An estimate of the collectible amounts due from subsidiary undertakings, companies under common control and undertakings in which the company has a participating interest is made when collection of the full amount is no longer probable.

Management makes a provision for doubtful debts based on its best estimates at the end of the reporting date.

At the reporting date, amounts due from subsidiary undertakings, companies under common control and undertakings in which the company has a participating interest amounted to £11,768,855 (2019: £6,522,034) and the provision for doubtful debts was £nil (2019: £nil). During the year, the company waived debts of £nil (2019: £5,163) owing from companies under common control.

The recoverability of amounts due from subsidiary undertakings, companies under common control and undertakings in which the company has a participating interest is based on the generation of future events from the assets held by these companies and upon realising the value of the net assets held by these companies.

Impairment of fixed asset investment (jewellery and watches)

Jewellery and watches are held at cost less impairment.

Assets are assessed individually for impairment and a provision is applied accordingly. The recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The net realisable value of each asset is estimated based upon the knowledge and expertise of management.

At the reporting date, the cost of the jewellery and watches held within fixed asset investments for the Group and Company amounted to £425,316 (2019: £425,316) and accumulated impairment losses amounted to £nil (2019: £nil).

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Judgement and key sources of estimation uncertainty

(Continued)

Impairment of watches and jewellery held as stock

Jewellery and other items within stock are held at the lower of cost and net realisable value.

Assets are assessed individually for impairment and a provision is applied accordingly. The recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The net realisable value of each asset is estimated based upon the knowledge and expertise of management.

At the reporting date, the cost of the jewellery and other items held as stock amounted to; Group £5,321,253 (2019: £2,821,806) and Company £4,243,569 (2019: £2,821,806), and accumulated impairment losses amounted to; Group £nil (2019: £nil) and Company £nil (2019: £nil).

3 Turnover

Analysis of the group's turnover is as follows:

	2020 £	2019 £
Turnover analysed by class of business		
Sales of jewellery and watches	6,045,821	27,341,982
Yacht charter	2,204,444	3,513,493

	2020 £	2019 £
Other significant revenue		
Interest income	585,847	213,597
Income from participating interests - joint ventures	11,227,175	10,857,150
Management fees receivable	495,520	437,500

	2020 £	2019 £
Turnover analysed by geographical market		
Europe	7,104,981	5,804,299
Middle East and Asia	1,145,284	21,163,595
Americas	-	3,887,581
	8,250,265	30,855,475

4 Operating profit

Operating profit for the year is stated after charging/(crediting):

	2020 £	2019 £
Exchange (gains)/losses	(689,783)	115,831
Fees payable to the company's auditors for the audit of the company's financial statements	21,117	43,842
Depreciation	535,720	298,120
Disposal of fixed assets	(534,716)	21,780
Cost of stocks recognised as an expense	4,656,967	15,681,022

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5 Auditors' remuneration

Fees payable to the company's auditors and associates

	2020	2019
	£	£
For audit services		
Audit of the financial statements of the group and company	15,000	28,750
Audit for the financial statements of the subsidiaries	6,117	1,400

6 Employees

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

	Group 2020 Number	Company 2020 Number	Group 2019 Number	Company 2019 Number
Administration	6	3	3	3

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	253,298	186,667
Social security costs	31,717	25,380
Other pension costs	10,801	5,500
	295,816	217,547

7 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	10,000	10,000

8 Income from participating interests and Other interest receivable and similar income

	2020	2019
	£	£
Interest income		
Other interest income	585,847	213,597
Income for fixed asset investments		
Income from participating interests - joint ventures	11,227,175	10,857,150
Total income	11,813,022	11,070,747

Disclosed on the profit and loss account as follows:

Income from participating interests	11,227,175	10,857,150
Other interest receivable and similar income	585,847	213,597

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9 Interest payable and similar expenses

	2020	2019
	£	£
Other finance costs:		
Other interest	14,581	7,669

10 Tax on profit

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	491,999	1,790,979

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

	2020	2019
	£	£
Profit before taxation	13,644,186	20,047,942
Expected tax charge based on the standard rate of corporation tax in the UK of 19.0% (2019: 19.0%)	2,592,395	3,809,109
Tax effect of expenses that are not deductible in determining taxable profit	143,366	52,810
Deferred tax	196,465	(8,081)
Fixed asset timing differences	(200,753)	-
Credits from non trade loan relationship	(64,013)	-
Other permanent differences	(42,298)	-
Dividends and distributions received	(2,133,163)	(2,062,859)
Tax expense for the year	491,999	1,790,979

11 Dividends

	Group 2020	Group 2019
	£	£
Interim paid	4,419,830	1,246,304

The company has paid a final dividend of £1,655,000 in 2021.

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12 Tangible assets
Group

	Buildings	Leasehold Improvements	Fixtures, fittings & equipment	Yachts & Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	2,600,008	-	1,032,283	1,564,344	5,196,635
Additions	21,825	59,208	942,022	111,651	1,134,706
Disposals	-	-	-	(855,546)	(855,546)
Exchange adjustments	-	-	-	89,753	89,753
At 31 December 2020	2,621,833	59,208	1,974,305	910,202	5,565,548
Accumulated depreciation					
At 1 January 2020	-	-	-	605,984	605,984
Depreciation charged in the year	52,000	1,518	134,892	347,310	535,720
Disposals	-	-	-	(534,716)	(534,716)
Exchange adjustments	-	-	-	39,302	39,302
At 31 December 2020	52,000	1,518	134,892	457,880	646,290
Carrying amount					
At 31 December 2020	2,569,833	57,690	1,839,413	452,322	4,919,258
At 31 December 2019	2,600,008	-	1,032,283	958,360	4,590,651

Tangible assets
Company

	Buildings	Leasehold Improvements	Fixtures, fittings & equipment	Yachts & Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	2,600,008	-	1,032,282	22,038	3,654,328
Additions	-	-	666,190	-	666,190
Disposals	-	-	-	-	-
At 31 December 2020	2,600,008	-	1,698,472	22,038	4,320,518
Accumulated depreciation					
At 1 January 2020	-	-	-	-	-
Depreciation charged in the year	52,000	-	127,629	7,272	186,901
Disposals	-	-	-	-	-
At 31 December 2020	52,000	-	127,629	7,272	186,901
Carrying amount					
At 31 December 2020	2,548,008	-	1,570,843	14,766	4,133,617
At 31 December 2019	2,600,008	-	1,032,282	22,038	3,654,328

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13 Fixed asset investments

		Group	Company	Unaudited	Company
		2020	2020	Group	2019
	Note	£	£	2019	2019
				£	£
Investment in subsidiaries	14	-	1,156	-	1,056
Investments in joint ventures	15	2,952,072	2,952,072	2,952,072	2,952,072
Jewellery and watches		425,316	425,316	425,316	425,316
		3,377,388	3,378,544	3,377,388	3,378,444

Group

Movements in fixed asset investments

	Shares in group undertakings and participating interests	Jewellery and watches	Total
	£	£	£
Cost or valuation			
At 1 January 2020	2,952,072	425,316	3,377,388
Additions	-	-	-
At 31 December 2020	2,952,072	425,316	3,377,388
Net book value			
At 31 December 2020	2,952,072	425,316	3,377,388
At 31 December 2019	2,952,072	425,316	3,377,388

Company

	Shares in group undertakings and participating interests	Jewellery and watches	Total
	£	£	£
Cost or valuation			
At 1 January 2020	2,953,128	425,316	3,378,444
Additions	100	-	100
At 31 December 2020	2,953,228	425,316	3,378,544
Net book value			
At 31 December 2020	2,953,228	425,316	3,378,544
At 31 December 2019	2,953,128	425,316	3,378,444

REDGRAVE LUXURY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Subsidiaries

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

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct
Sorcha Racing Limited	Malta Yacht charter	Ordinary shares	99.9
Ninety Watches and Jewellery	UK Luxury goods retailer	Ordinary shares	100.0

Both Sorcha Racing Limited and Ninety Watches and Jewellery Limited have been included in the consolidated figures within these financial statements.

Ninety Watches and Jewellery Limited is exempt from the audit requirements of the Companies Act 2016 under section 479C of the Act. Redgrave Luxury Limited guarantees all outstanding liabilities for which Ninety Watches and Jewellery Limited is subject as at 31 December 2020.

15 Joint Ventures and Associates

Details of shares in group undertakings and participating interests at 31 December 2020 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	Share Capital £	% Held Direct
Richard Mille Europe, Middle East and Africa Limited	UK Supplier and distributor of luxury watches	Ordinary shares	100.0	50.0

The company is a 50.0% shareholder in the joint venture Richard Mille Europe, Middle East and Africa Limited.

The joint venture company made a pre-tax profit of CHF 42,523,873 for the year. At 31 December 2020, the company had net assets of CHF 116,809,803.

The registered address of the joint venture company is Unit 03, Kingfisher House, Battersea Reach, Juniper Drive, London, SW18 1TX.

Château REVA SAS	France	Property	Ordinary shares	25.0
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The company is a 25.0% shareholder in the associate Château REVA SAS.

The registered address of the associate company is 2438 Route de Bagnols, 83920, La Motte, France.

16 Financial Instruments

	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	14,973,216	20,684,774	15,517,592	16,957,429
Equity instruments measured at cost less impairment	2,952,072	2,953,228	2,952,072	2,953,128
Cash and cash equivalents	25,349,669	22,510,229	19,737,551	19,463,734
Carrying amount of financial liabilities				
Measured at amortised cost	7,273,583	6,998,763	4,491,489	4,404,922

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17 Stocks

	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Goods for resale	5,321,253	4,243,569	2,821,806	2,821,806

18 Debtors

	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Amounts falling due within one year:				
Trade debtors	1,132,679	1,104,962	5,260,703	4,378,319
Other debtors	2,019,968	1,729,886	5,168,172	5,163,923
Prepayments and accrued income	1,392,480	1,000	52,851	-
	4,545,127	2,835,848	10,481,726	9,542,242
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	6,081,071	-	2,326,471
Amounts owed by undertakings in which the entity has a participating interest	12,099,689	11,768,855	6,522,034	6,522,034
	12,099,689	17,849,926	6,522,034	8,848,505
	16,644,816	20,685,774	17,003,760	18,390,747

Amounts owed by group undertakings and undertakings in which the entity has a participating interest

At 31 December 2020 amounts owed by group undertakings and undertakings in which the entity has a participating interest amounted to £17,849,926 (2019: £8,848,505) net of provisions. The recoverability of this balance is dependent on the generation of future revenues from the assets held by the relevant subsidiary and undertaking in which the company has a participating interest and upon realising the value of its net assets. At the date of signing these financial statements these debts have not been settled, and a provision of £nil (2019: £nil) has been recognised in respect of balances owing from subsidiaries. No provision has been recognised in respect of amounts owing from undertakings in which the company has a participating interest.

19 Creditors: amounts falling due within one year

	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Trade creditors	657,286	650,290	482,121	439,564
Amounts owed to undertakings in which the entity has a participating interest	6,438,529	6,227,535	2,996,361	2,996,361
Corporation tax	366,378	302,352	2,151,149	2,151,149
Deferred tax liability	265,158	203,169	68,693	68,693
Other taxation and social security	131,606	126,241	24,283	25,383
Other creditors	478	35	150,783	150,783
Accruals and deferred income	177,289	120,903	862,224	818,215
	8,036,724	7,630,525	6,735,614	6,650,148

REDGRAVE LUXURY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Called up share capital

	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Issued and fully paid				
100 Ordinary shares of £1 each	100	100	100	100

21 Retirement benefit scheme

	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Defined contributions schemes				
Charge to profit or loss in respect of defined contribution scheme	10,801	6,169	5,500	5,500

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

22 Profit and loss account

Share capital represents the nominal value of equity shares.

Profit and loss reserves represent the accumulated profits and losses of the company less any distributions.

23 Financial commitments, guarantees and contingent liabilities

On 18 December 2017 the company provided a guarantee in favour of The Commissioner for Revenue, Malta, for \$36,000 on behalf of Sorcha Racing Limited, a subsidiary undertaking of the company.

24 Related party transactions

The remuneration of key management personnel, who are also the directors, is detailed in note 7.

Richard Mille Europe, Middle East and Africa Limited

During the year to 31 December 2020, the company charged management fees of £495,520 plus VAT (2019: £437,500 plus VAT) to Richard Mille Europe, Middle East and Africa Limited, an entity in which the company has a participating interest.

During the year the company was charged management fees of £28,640 plus VAT (2019: £43,434 plus VAT) by Richard Mille Europe, Middle East and Africa Limited.

During the year, the company made purchases totalling £1,778,403 plus VAT (2019: £13,823,973 plus VAT) from Richard Mille Europe, Middle East and Africa Limited. Included within trade creditor and amounts due to undertakings in which the company has a participating interest at 31 December 2020 are amounts totalling £6,227,535 (2019: £636,602) due in respect of these purchases.

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

24 Related party transactions

(Continued)

During the year, the group made sales totalling £nil plus VAT (2019: £1,628,518 plus VAT) and £2,204,444 exc VAT (2019: £3,513,493 exc VAT) to Richard Mille Europe, Middle East and Africa Limited. Included within trade debtors at 31 December 2020 are amounts totalling £nil (2019: £882,383) due in respect of these sales.

During the year, the group made sales totalling £1,665,888 exc VAT (2019: nil) to a company under common control. Included within trade debtors at 31 December 2020 are amounts totalling £448,858 (2019: nil) due in respect of these sales.

During the year to 31 December 2020, the company received dividends of £11,227,175 (2019: £10,857,150) from Richard Mille Europe, Middle East and Africa Limited.

RME Aviation Limited

Included within amounts due from companies under common control at 31 December 2020 is £11,768,855 (2019: £6,522,034) owed from RME Aviation Limited, a company under common control.

Transactions with directors

Included within other debtors at 31 December 2020 is an amount of £1,656,276 (2019: £3,687,804) owing from directors of the company. These balances have subsequently been repaid to the company. Interest receivable of £85,859 (2019: £54,265) was charged on this balance during the year.

Other transactions

Included within fixed assets at 31 December 2020 is an amount of £1,952,240 (2019: nil) arising from a loan made to a close family member of a director of the company.

25 Controlling party

The controlling party is Peter Harrison.

REDGRAVE LUXURY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

26 Cash generated from operations

	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Profit for the year after tax	13,152,187	12,634,366	18,256,964	18,498,297
Adjustments for:				
Taxation charged	491,999	365,983	1,790,979	1,790,979
Interest payable	14,581	14,581	7,669	7,669
Interest receivable	(264,847)	(339,454)	-	-
Depreciation	535,721	186,901	298,120	-
Disposal of fixed assets	(491,347)	-	21,780	-
Investment income	(11,227,175)	(11,227,175)	(11,070,747)	(11,175,981)
Waiver of debts owing from companies under common control	-	-	5,163	5,163
Revaluation of debt owing from companies under common control	141,474	102,251	(235,007)	(238,148)
Movements in working capital				
(Increase) in stocks	(2,499,447)	(1,421,763)	(2,320,372)	(2,320,372)
(Increase)/decrease in debtors	4,128,024	3,273,358	(4,218,163)	(3,446,493)
Increase/(decrease) in creditors	175,165	210,726	2,558,574	2,568,963
Cash generated from operations	4,156,335	3,799,774	5,094,960	5,690,077