

Registered number: 9058616

BRANDO EYEWEAR LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016



BRANDO EYEWEAR LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 11

BRANDO EYEWEAR LIMITED

COMPANY INFORMATION

DIRECTORS

James Ravencroft (appointed 3 March 2016)
David Hart (appointed 3 March 2016)

COMPANY NUMBER

9058616

REGISTERED OFFICE

Michael House
Riverside Business Park
Rennie Hogg Road
Nottingham
NG2 1RX

AUDITOR

Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

BRANDO EYEWEAR LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 Year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the wholesale of designer optical frames and sunglasses. The Company commenced trading on 1 June 2016.

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 5. The Directors did not recommend dividend payments.

DIRECTORS

The directors who served during the year were:

David Hart (appointed 3 March 2016)
James Ravencroft (appointed 3 March 2016)
Stephen Tulba

Subsequent to the year end, Stephen Tulba resigned as director of the company on 7 September 2017.

BRANDO EYEWEAR LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

PROVISION OF INFORMATION TO AUDITORS

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

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on *28 September 2017* and signed on its behalf.

K Wragg

K Wragg
Company Secretary

BRANDO EYEWEAR LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF BRANDO EYEWEAR LTD

We have audited the financial statements of Brando Eyewear Limited for the year ended 31 December 2016, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 Section 1A "Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and such reports have been prepared in accordance with applicable legal requirements.

BRANDO EYEWEAR LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF BRANDO EYEWEAR LTD

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Leo Malkin
Senior statutory auditor

for and on behalf of
Crowe Clark Whitehill LLP

Statutory auditor

St. Bride's House
10 Salisbury Square
London
EC4Y 8EH

Date:

28/5/17

BRANDO EYEWEAR LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	Year ended 31 December 2016 £	Year ended 31 December 2015 £
TURNOVER	3	379,566	-
Cost of sales		<u>(209,055)</u>	<u>-</u>
GROSS PROFIT		170,511	-
Distribution costs		(256,333)	-
Administrative expenses		<u>(240,110)</u>	<u>-</u>
OPERATING LOSS	4	(325,932)	-
Finance costs		<u>-</u>	<u>-</u>
LOSS BEFORE TAXATION		(325,932)	-
Taxation	5	<u>-</u>	<u>-</u>
LOSS FOR THE YEAR		<u><u>(325,932)</u></u>	<u><u>-</u></u>

There was no other comprehensive income for 2016 (2015: £NIL).

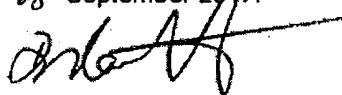
The notes on pages 7 to 11 form part of these financial statements.

BRANDO EYEWEAR LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	31 December 2016 £	31 December 2015 £
NON CURRENT ASSETS			
Tangible assets	6	<u>14,643</u>	-
CURRENT ASSETS			
Stocks		685,082	-
Debtors	7	260,661	1
Cash at bank and in hand		<u>42,482</u>	-
		988,225	1
CREDITORS: amounts falling due within one year	8	<u>(1,328,799)</u>	-
NET CURRENT LIABILITIES		<u>(340,574)</u>	1
NET ASSETS		<u>(325,931)</u>	1
CAPITAL AND RESERVES			
Called up share capital	9	1	1
Profit and loss account		<u>(325,932)</u>	-
TOTAL EQUITY		<u>(325,931)</u>	1

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2017.


DJ Ravencroft
 Director

The notes on pages 7 to 11 form part of these financial statements.

BRANDO EYEWEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. GENERAL INFORMATION

Brando Eyewear Limited is a private limited company (limited by shares) incorporated in England and Wales (registration number 09058616). The address of the registered office is Michael House, Riverside Business Park, Rennie Hogg Road, Nottingham NG2 1RX.

The financial statements are presented in Sterling, which is also the functional currency of the company.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

This is the first year in which the financial statements have been prepared under FRS 102. The transition from preparing the financial statements in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015) to FRS 102 Section 1A has had no material impact on either the financial position or the financial performance as previously reported by the company.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. The directors do not consider there to be any key sources of estimation and uncertainty when applying the accounting policies.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. The following criteria must also be met before revenue is recognised:

Sale of goods

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

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

BRANDO EYEWEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2.3 Tangible assets

Tangible assets are stated at cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment 10 – 50% straight line

2.4 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

2.6 Deferred Tax

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2.7 Going concern

The Company made a net loss of £325,932 for the financial year ended 31 December 2016 and as of that date, the Company had net current liabilities of £340,574.

The Company meets its day to day working capital requirements from the intercompany loans and balances with fellow group undertakings of the group headed by Mondottica Limited, the immediate holding company, which are repayable on demand.

In making this assessment, the Directors have prepared and considered the forecasts and budgets of the Company. On the basis of these forecasts, the immediate holding company confirmed to the directors that it will provide the necessary financial support for a period of at least 12 months from the date of approval of these financial statements to enable the Company to continue its normal operations and to settle its liabilities as they fall due. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

BRANDO EYEWEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

3. TURNOVER

63% of the company's turnover (2015 – Nil) is attributable to geographical markets outside the United Kingdom.

4. OPERATING PROFIT

The operating profit is stated after charging auditor's remuneration of £5,500 (2015 - £NIL).

During the year, no director received any emoluments (2015 - £NIL).

5. TAXATION

No liability to UK corporation tax arose from the underlying loss for the year end 31 December 2015 and 2016.

At the balance sheet date, the company has corporation tax losses of approximately £316,000 (2015: £nil) available to carry forward against future trading profits. No deferred tax asset was recognised in respect to these accumulated tax losses as there is insufficient evidence at this time that the amount will be recovered in future years.

6. TANGIBLE ASSETS

	£
Cost	
At 1 January 2016	-
Additions	17,488
At 31 December 2016	<u>17,488</u>
Accumulated depreciation	
At 1 January 2016	-
Charges for the year	2,845
At 31 December 2016	<u>2,845</u>
Net book value	
At 31 December 2016	<u><u>14,643</u></u>
At 31 December 2015	<u><u>-</u></u>

BRANDO EYEWEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

7. DEBTORS

	31 December 2016 £	31 December 2015 £
Trade debtors	81,562	-
Other debtors	33,699	1
Amounts owed by group undertakings	72,698	-
Prepayments	72,702	-
	<u>260,661</u>	<u>-</u>

**8. CREDITORS:
Amounts falling due within one year**

	31 December 2016 £	31 December 2015 £
Trade creditors	137,123	-
Amounts owed to group undertakings	1,109,079	-
Other creditors	48,611	-
Accruals	33,986	-
	<u>1,328,799</u>	<u>-</u>

9. SHARE CAPITAL

	31 December 2016 £	31 December 2015 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

10. EMPLOYEES

The Company does not employ any staff. The directors are regarded as the key management of the business and their remuneration is disclosed in note 4.

All staff are contractually employed by Mondottica Limited and their costs included in a management charge from that company (see note 11).

BRANDO EYEWEAR LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

11. RELATED PARTY TRANSACTIONS

As permitted by FRS102, the company has not disclosed details of transactions with other Group undertakings that are included in the Group accounts prepared by the ultimate parent undertaking. Copies of the group financial statements are available to the public from the immediate parent company's head office at Michael House, Riverside Business Park, Rennie Hogg Road, Nottingham NG2 1RX.

12. CONTROLLING PARTY

The company's immediate parent undertaking is Mondottica Limited, a company incorporated in the United Kingdom, owning 100% of the share capital of the company.

The ultimate parent company is Mondottica International Limited, a company incorporated in Hong Kong.

MR Jardine is regarded as the ultimate controlling party.