Registered number: 02127866

DUNE GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 JANUARY 2023

DUNE GROUP LIMITED

COMPANY INFORMATION

Directors	Daniel Rubin Anne Rubin Nilesh Karia Zoe Brookes Debra Bloom Alice Arnold Clara Eisenberg Andrew Grainger Nigel Darwin
Secretary	Clara Eisenberg
Company number	02127866
Registered office	4th Floor The White Building 11 Evesham Street London W11 4AJ
Statutory auditors	Simmons Gainsford LLP Chartered Accountants & Statutory Auditors 14th Floor 33 Cavendish Square London W1G 0PW

DUNE GROUP LIMITED

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STRATEGIC REPORT
FOR THE PERIOD ENDED 28 JANUARY 2023

The directors present their annual report and financial statements for the 52 week period ended 28 January 2023 (2022: 52 week period ended 29 January 2022).

Business review

The Company's earnings before interest, tax, depreciation, amortisation (EBITDA) and exceptional costs during the period were profit of £2.7m (2022: £2.9m). These strong results reflect the effect of successfully executing the strategy of brand elevation, and good progress on key growth platforms for the Company.

During the period the Company continued to actively manage its store portfolio, opening two concessions, two full price stores and one outlet store. Additionally, we successfully launched on three new third party web platforms.

Repercussions of the pandemic on the global supply chain and availability of vessels continued to be felt in the first half of the year resulting in stock shortages at times. The Board actively manages the stock position and trading stance to ensure there is no significant disruption to operations.

On 31 March 2022, the Group undertook a corporate reorganisation to simplify the group structure with a new holding company and separate brand and operating entities. Ownership of Dune Group Limited was transferred to the new holding company, Dune Topco Limited.

Future developments

The Company has a clear strategy to elevate the brand through enhanced product and brand marketing and a premium customer shopping experience. The Company is also making important strides in making its product, supply chain and operations more sustainable.

The Company will continue to open new stores in high footfall locations when we are able to secure attractive rental terms that, taking into account the business rates liability, allow us to make an acceptable return. Locations where we used to have a department store concession and no longer have representation are a key focus.

We will also continue to invest in online operations and partnerships, with a particular focus on customer relationship management, to allow us to communicate with our customers in a more engaging and relevant way. Category development, in particular in Men's and Accessories offers a key platform for growth, as we drive awareness of our brand in these categories and strengthen our elevated product offering in Accessories.

We will further develop our product collections with a coherent Good / Better / Best approach to allow the brand to optimise distribution opportunities across markets and channels.

Overall, we see considerable opportunity to continue to grow the Dune London brand and improve profitability through new market place opportunities, investment in our e-commerce platforms to make it best in class and having an expanding UK store estate. At the same time, we will manage our costs and cash to improve our position and remain flexible in response to changing conditions.

STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 28 JANUARY 2023

Key performance indicators

In addition to turnover and EBITDA before exceptional costs, the principal key performance indicators that the directors use to assess performance are: (1) the size of our retail estate, (2) growth in Dune website sales and (3) like for like (LFL) retail sales.

There were 47 stores and 76 concessions at period end (2022: 49 stores and 74 concessions). Sales through the Dune website were consistent year on year (2022: -11.9%), however total e-commerce sales grew by +10.8% (2022: -8.6%). LFL Retail sales for the period were +17.3% (2022: +29.4%).

Principal risks and uncertainties

The directors acknowledge their responsibility for the Company's systems of internal control, and for identifying, evaluating and managing the risks faced by the business. The principal risks and uncertainties are detailed below:

Economic environment
The current cost of living challenges, coupled with the impact of rising interest rates and the conflict in Ukraine, is putting pressure on household disposable income, therefore the Group needs to be mindful of an adverse impact on demand, especially in the second half of the year.

Product
A primary challenge as a fashion retailer is to produce an attractive product range which is distinctive, relevant and affordable to the consumer. The business has invested consistently in design and development to ensure that it delivers a range that is fashionable, comfortable and of excellent quality. The buying team has developed long term relationships with a broad network of suppliers to ensure the product meets these goals and that the supply chain is robust and reliable.

People
The Company's employees are a key differentiator in delivering outstanding product ranges and providing excellent customer service. The business is dedicated to attracting, developing and retaining high quality people to achieve these goals. The current challenge in a Post-Brexit economy is a general shortage across the labour force and it has proven difficult to recruit staff for our stores and in our head office.

IT risk
The Company is reliant on a suite of IT systems to manage and control the business. There are policies and procedures in place in order to safeguard the hardware, software and the data we hold.

Data privacy and cyber security
The Company is GDPR compliant and processes have been established to review the data protection implications of any new projects. The Board provides an ongoing review of cyber security essentials and ensures that our IT security infrastructure is appropriately implemented, tested, reviewed and improved.

Liquidity
The Company manages working capital very closely in order to maximise free cash flow available to invest in the future of the business. The Company's debt position, available liquidity and cashflow projections are monitored and reported to the Board on at least a monthly basis.

Treasury
The business is exposed to foreign exchange transactional risk as it sources the majority of its stock from overseas suppliers in US Dollars and Euros. The Company's policy is to hedge against the risk of adverse movements in exchange rates through the use of forward contracts.

Section 172 (1) Statement

This section describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 in exercising their duty to promote the success of the Company for the benefit of its members as a whole. We consider the Company's major stakeholders to be our customers, employees, partners, suppliers and shareholders.

Having regard to the likely consequences of any decision in the long term

The board is committed to strong corporate governance and holds regular meetings to ensure that the implications of its strategic decisions are carefully assessed. Day-to-day management and decision making is delegated to the executive management team, however the board sets the strategic direction and reviews performance closely to ensure that all key decisions are favourable to the long-term sustainable growth of the business.

Having regard to the interests of the Company's employees

The Board considers our employees to be key to the success of the business and ensures that their interests are fully considered when strategic decisions are made. Communication with employees is made through update emails, bi-annual conferences and face-to-face meetings. Members of the Board are highly visible in the central support office and regularly visit stores and the distribution centre which effectively ensures that the Board stays alert to the views of the workforce. We support hybrid working and other flexible working arrangements and conduct regular surveys to ensure that people feel adequately supported. The executive management team have undertaken diversity and inclusion training during the year. The Board is committed to helping employees improve their skills and knowledge, and training and development is available across the business.

Having regard to the need to foster the Company's business relationships with external stakeholders

The interests of customers are considered in key decisions relating to store openings and closures, website development, selection of product lines, pricing, selection and monitoring of suppliers to ensure quality, social compliance and safety standards. We communicate with our customers through our Customer Experience Team, in stores, through social media and through post purchase surveys, and we discuss customer feedback in our weekly trade meetings. The business has longstanding relationships with many of its suppliers and we work collaboratively to address any issues that arise. When onboarding new suppliers, financial and non-financial factors are considered to ensure we are working with the right suppliers.

Having regard to the impact of the Company's operations on the community and the environment

The directors are committed to the Company being a responsible retailer by working towards lessening environmental impacts and taking care of the people that design, make and sell our products. The business has set ambitious targets for recycled, renewable and responsibly sourced materials. To reduce our carbon emissions we have moved to renewable electricity, we use sea transportation wherever possible and have made changes in store refits and in our central support office and distribution centre to reduce energy consumption. We are members of both Sedex and AmforiBSCI, and through these ethical trading platforms we have visibility of the social audits of our supplier factories. We are a corporate partner of the charity Mental Health UK. As well as fundraising, we champion the work they do. In addition, we provide in-kind logistics support to Goods for Good.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

The directors recognise the importance of operating a strong corporate governance framework and are committed to conducting business in an ethical and transparent manner. We operate a number of employee and supplier policies which strengthen group and supplier awareness of our expectations. Our teams know that there are effective systems and measures in place to address any issues. The Audit Committee exercises strong oversight over the Company's activities in these areas. We are in regular contact with our suppliers and monitor compliance to the required standards of quality and social conditions.

STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 28 JANUARY 2023

Having regard to the need to act fairly as between members of the Company

The directors are aware of their responsibility to protect and manage its shareholders' investment. Long-term shareholder value is considered when making all strategic and impactful decisions.

This report was approved by the board on 31 July 2023 and signed on its behalf by:

Daniel Rubin
Director

DIRECTORS' REPORT
FOR THE PERIOD ENDED 28 JANUARY 2023

The directors present their report and the financial statements for the period ended 28 January 2023 (2022: 52 week period ended 29 January 2022)

Principal activities

The principal activity of the Company is the sale of footwear and accessories in the UK and internationally.

Results and dividends

The profit for the period, after taxation, amounted to £70,417 (2022: £1,249,201).

No dividends were paid in the period (2022: £nil) to the parent company, Dune Topco Limited.

Directors

The following directors who served during the period were:

Daniel Rubin
Anne Rubin
Nilesh Karia
Zoe Brookes
Debra Bloom
Alice Arnold
Clara Eisenberg
Andrew Grainger
Nigel Darwin (appointed 27 September 2022)
Annette Middlebrook (resigned 19 October 2022)

Employees and disabled persons

Applications for employment are considered based on the aptitudes and abilities of prospective applicants, regardless of any personal disability. Continued training and support are given to all employees throughout their career with the Company, including specific provision for any employees with existing disabilities or who become disabled whilst employed at the Company.

For further details on how the board has regard to the interests of the Company's employees, please refer to the s172(1) Statement in the Strategic Report.

Corporate responsibility

For details on how the board has had regard to the impact of the Company's operations on the community and the environment, to the Company's business relationships with suppliers, customers and others and to maintaining a reputation for high standards of business conduct, please refer to the s172(1) Statement in the Strategic Report.

Greenhouse gas emissions, energy consumption and energy efficiency action

The Company has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as it has been provided within the consolidated accounts of the parent entity, Dune Topco Limited.

Auditor

Pursuant to section 487(2) of the Companies Act 2006, Simmons Gainsford LLP will be deemed to have been reappointed as auditors and continue in office.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 28 JANUARY 2023

Directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

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

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

This report was approved by the board on 31 July 2023 and signed on its behalf by:

Daniel Rubin
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUNE GROUP LIMITED

Opinion

We have audited the financial statements of Dune Group Limited for the period ended 28 January 2023, which comprise the Profit and loss account and other comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 January 2023 and of its profit for the period 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

We have nothing to report in this regard.

Opinion of other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial period 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 or the Directors' report.

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

- adequate accounting records have not been kept, 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 set out on page 6, 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.

Auditors' 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 Auditors' 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In order to identify and assess the risks of material misstatements, including fraud and non-compliance with laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the Company, including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements including the Company's remuneration and bonus policies and performance targets; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Company Law, tax and pension legislation and distributable profits legislation;
- the timing of the recognition of commercial income;
- management bias in selecting accounting policies and determining estimates;
- recoverability of debtors; and
- the requirement to impair its stocks and investments and the amount of any such impairment.

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations;
- enquiries with the same concerning any actual or potential litigation or claims;
- discussion with the same regarding any known or suspected instances of non-compliance with laws and regulation and fraud;
- assessment of matters reported to management and the result of the subsequent investigation;
- obtaining an understanding of the relevant controls during the period;
- obtaining an understanding of the policies and controls over the recognition of income and testing their implementation during the period;
- review documentation relating to compliance with the regulations relating to health and safety including health and safety certificates; fire assessment reports and the Company's internal audit reports;
- challenging assumptions made by management in their specific accounting policies and estimates, in particular in relation to depreciation of tangible fixed assets; impairment of investments; carrying value of stock; onerous lease provision; and deferred tax asset;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- assessing the recovery of debtors in the period since the balance sheet date and challenging assumptions made by management regarding the recovery of balances which remain outstanding;
- reviewing the financial statements for compliance with the relevant disclosure requirements;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud;
- reviewing the minutes of board meetings and correspondence with HMRC; and
- evaluating the underlying business reasons for any unusual transactions.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUNE GROUP LIMITED (CONTINUED)

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 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.

Simmons Gainsford LLP

Shilen Manek ACA, FCCA (Senior statutory auditor)

for and on behalf of
Simmons Gainsford LLP

Chartered Accountants
Statutory Auditors

14th Floor
33 Cavendish Square
London
W1G 0PW

31 July 2023

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 28 JANUARY 2023

	Notes	2023 £	2022 £
Turnover	2	92,929,763	78,571,376
Cost of sales		(36,381,689)	(35,149,058)
GROSS PROFIT		56,548,074	43,422,318
Administrative expenses		(57,720,654)	(46,562,394)
Exceptional administrative items	6	3,098,081	2,916,821
Other operating income	5	-	1,896,576
OPERATING PROFIT	3	1,925,501	1,673,321
Interest receivable and similar income		-	10,871
Interest payable and expenses	7	(689,569)	(657,149)
PROFIT BEFORE TAX		1,235,932	1,027,043
Tax on profit	8	(1,165,515)	222,158
PROFIT FOR THE FINANCIAL PERIOD		70,417	1,249,201
OTHER COMPREHENSIVE INCOME FOR THE PERIOD			
Net change in fair value of cash flow hedges:			
- Recycled to profit and loss	28	(152,398)	363,594
- At period end	28	(113,907)	82,304
Movement of deferred tax on other comprehensive income	8	57,432	(84,720)
OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		(208,873)	361,178
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR		(138,456)	1,610,379

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

BALANCE SHEET
AS AT 28 JANUARY 2023

	Note		28 January 2023 £		29 January 2022 £
Fixed assets					
Tangible assets	9		7,772,260		8,543,385
Investments	10		887,829		887,829
			8,660,089		9,431,214
Current assets					
Stocks	11	18,664,675		17,975,658	
Debtors: amounts falling due within one year	12	22,136,588		21,191,688	
Cash at bank and in hand	13	690,300		413,914	
		41,491,563		39,581,260	
Creditors: amounts falling due within one year	14	(35,103,940)		(33,184,756)	
Net current assets			6,387,623		6,396,504
Total assets less current liabilities			15,047,712		15,827,718
Provisions for liabilities					
Provisions	15	(333,142)		(974,692)	
			(333,142)		(974,692)
Net assets			14,714,570		14,853,026
Capital and reserves					
Called up share capital	19		5,000,000		5,000,000
Cashflow hedge reserve	20		(85,430)		123,443
Profit and loss account	20		9,800,000		9,729,583
			14,714,570		14,853,026

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 July 2023 by:

Daniel Rubin
Director

The notes on pages 15 to 37 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 JANUARY 2023

	Called up Share Capital	Cash flow hedge reserve	Retained Earnings	Total equity
	£	£	£	£
At 30 January 2021	5,000,000	(237,735)	8,480,382	13,242,647
Period ended 29 January 2022				
Profit for the period	-	-	1,249,201	1,249,201
Other comprehensive profit for the period	-	361,178	-	361,178
Total comprehensive profit for the period	-	361,178	1,249,201	1,610,379
At 29 January 2022	5,000,000	123,443	9,729,583	14,853,026
Period ended 28 January 2023				
Profit for the period	-	-	70,417	70,417
Other comprehensive loss for the period	-	(208,873)	-	(208,873)
Total comprehensive income for the period	-	(208,873)	70,417	(138,456)
At 28 January 2023	5,000,000	(85,430)	9,800,000	14,714,570

1. Accounting policies

1.1 General information

Dune Group Limited is a company limited by shares incorporated in England and Wales. The registered office and principal trading address is 4th Floor, The White Building, 11 Evesham Street, London, W11 4AJ.

1.2 Basis of preparation

These financial statements have been prepared under the historic cost convention, unless otherwise specified in these accounting policies, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006. The Company's functional currency and the presentational currency of these financial statements are sterling.

The Company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Dune Topco Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company which are available to the public and may be obtained from 4th Floor, The White Building, 11 Evesham Street, London, W11 4AJ.

In these financial statements, the Company is considered to be a qualifying entity (for the purpose of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below, unless otherwise stated, have been applied consistently to all periods presented in these financial statements.

1.3 Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Company is able to meet its obligations as they fall due for the foreseeable future. In adopting the going concern basis for preparing the financial statements, the Directors have considered the business activities as well as the Company's principal risks and uncertainties.

Management has prepared forecasts to model the business including profit and cash projections for the next three years. They have also performed a formal review of the headroom against banking covenants. As a result of this process, the Directors believe that the group can generate sufficient profitability and has sufficient cashflow liquidity available to meet the covenant and all liabilities as they fall due for the next 12 months.

The Company therefore continues to adopt the going concern basis in the financial statements.

1.4 Foreign currency translation

Transactions in foreign currencies are translated to sterling at the system rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to sterling at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

1. Accounting policies (CONTINUED)

1.5 Basic financial instruments

Trade and other debtors / creditors
Trade and other debtors/creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Investments in subsidiaries
Investments in subsidiaries are carried at cost less impairment.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and bank overdrafts that are repayable on demand. Bank overdrafts form an integral part of the Company's cash management.

1.6 Other financial instruments

Cash flow hedges
Where the hedged risk is the foreign exchange risk in a firm commitment or a highly probable forecast transaction, the Company recognises the effective part of any gain or loss on the derivative financial instrument in other comprehensive income (OCI). Any ineffective portion of the hedge is recognised immediately in the profit and loss account.

The hedging gain or loss recognised in OCI is reclassified to profit or loss when the hedged item is recognised in the profit and loss account or when the hedging relationship ends.

1. Accounting policies (CONTINUED)

1.7 Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment provisions. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows:

Long leasehold properties	- Over 25 years
Land and buildings leasehold	- Over the life of the lease (3 - 25 years)
Computer equipment	- Over 3 - 7 years
Fixtures, fittings & equipment	- Over 3 - 5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.8 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company.

Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.9 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the stocks and other costs in bringing them to their existing 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 sell is recognised as an impairment loss in the profit and loss account. Reversals of impairment losses are also recognised in profit or loss.

1. Accounting policies (CONTINUED)

1.10 Impairment excluding stocks and deferred tax asset

Financial assets (including trade and other debtors)
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the profit and loss account.

Non-financial assets
The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit and loss account. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1. Accounting policies (CONTINUED)

1.11 Employee benefits

Short term employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Defined contribution plans and other long term employee benefits
A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Termination benefits
Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an Offer made to encourage voluntary redundancy. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

1.12 Turnover

Turnover comprises sales of goods to customers less an appropriate deduction for actual and expected returns and is stated net of VAT and trade discounts. Turnover is recognised when the significant risks and rewards of ownership have been transferred to the customer. This is normally on the date of delivery of the goods to retail customers and on the date of shipment of goods to wholesale customers. E-commerce sales are recorded on despatch to the customer.

1.13 Expenses

Operating lease
Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation, in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable
Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

1.14 Dividends

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

1. **Accounting policies (CONTINUED)**

1.15 Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods. Taxable profit differs from net profit as reported in the profit and account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, branch, joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.16 Exceptional administrative items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

1.17 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the effect of the time value of money is considered material, provisions are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Provisions for onerous leases are recognised when the Company believes that the unavoidable costs of meeting or exiting the lease obligations exceed the economic benefits expected to be received under the lease.

1. Accounting policies (CONTINUED)

1.18 Government Grants

Grants are accounted under the accruals model as permitted by FRS 102. The deferred element of grants is included in creditors as deferred income.

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

1.19 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.

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 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.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Onerous lease provision
Determination of whether a loss is unavoidable requires areas of judgement such as consideration of potential future investment decisions, the possibility of sub-letting, local conditions which may be impacting on current performance and the opportunity to surrender a lease back to the landlord. Additionally, some estimation is required in determining the future EBITDA performance of each site and the potential to exit leases earlier than the expiry date.

Impairment of assets
Property, plant and equipment is reviewed tor impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations prepared on the basis of management's assumptions and estimates in the period. Where the recoverable amount of the cash generating unit is negative, an impairment loss is recognised in the profit and loss account.

Financial instruments
The Company uses derivative financial instruments in the form of contracts for the forward purchase of US Dollars and Euros. These grant the Company the ability to buy foreign currency at a fixed price over the life of the contracts. The fair value of these contracts as at the balance sheet date has been calculated using an estimated forward rate as at that date. This forward rate has been calculated using the interpolated zero coupon rates based upon the then money market and swap interest rates for each currency pair as reported by ICE Benchmark Administration Limited and the Financial Times respectively.

1. Accounting policies (CONTINUED)

1.19 Judgements and key sources of estimation uncertainty (CONTINUED)

Deferred tax asset

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Management uses judgement in estimating whether there will be sufficient taxable profits in the future to recognise a deferred tax asset. Management will also need to make estimates about the expected timing of reversal of the deductible and taxable temporary differences when considering whether a deferred tax asset can be recognised. The timing of the reversal of deferred tax asset on capital allowance has been estimated based on the longevity of the business's operations.

Key sources of estimation uncertainty

The directors are of the view that there are no estimates or assumptions in addition to the above which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

2. Turnover

The total turnover of the Company for the period has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the Company's turnover is set out as below:

	2023 £	2022 £
Geographical Segment		
United Kingdom	85,235,554	71,654,381
Rest of the World	7,694,209	6,916,995
	92,929,763	78,571,376

3. Operating profit

Operating profit is stated after charging:

	2023 £	2022 £
Depreciation of tangible assets	3,904,520	4,160,739
Loss on disposal of tangible assets	3,715	378,698
Gains on group restructure	(1,892,641)	-
Lease surrender income	(1,318,481)	-
Operating lease rentals:	-	-
- Plant and machinery	74,198	83,181
- Other assets	6,405,537	6,787,604
Loss/(Gain) on translation of foreign currency balances	466,904	(74,398)

Operating profit is stated after also charging exceptional items (see Note 6).

4. Auditors' Remuneration

During the period, the Company obtained the following services from the Company's auditors and their associates:

	2023 £	2022 £
Audit of the Company's annual accounts	37,000	47,000
Other services	1,750	3,050

5. Other operating income

	2023 £	2022 £
Government grants	-	1,896,576

Included in government grants in the prior year was the Company's claim of £1,512,697 in relation to the Coronavirus Job Retention Scheme. £3,247 of the claim was included in the salary costs recharged to Dune International Limited in the prior period (also see note 24).

6. Exceptional items

	2023 £	2022 £
Movement in provision for onerous leases	1,311,158	512,061
Redundancy fees	-	231,351
Lease surrender costs	-	177,280
Strategic reorganisation	(105,718)	2,813,391
Gains on group restructure	1,892,641	-
Total exceptional income	3,098,081	2,916,821

a) Movement in provision for onerous leases are related to non-performing stores.
b) Redundancy fees relate to the restructuring of business operations.
c) Lease surrender costs relate to the relocation from the previous Head Office site.
d) Net (benefit)/cost as a result of the voluntary arrangement that ended during the period.
e) Gains on transfer of intellectual property within the Group.

7. Interest payable

	2023 £	2022 £
On bank loans and overdrafts	651,830	590,856
Other interest	37,739	66,293
Total interest payable	689,569	657,149

8. Taxation

Total tax expense recognised in profit and loss account, other comprehensive income and equity

	2023 £	2022 £
Corporation tax		
Adjustments in respect of prior periods	-	(1,592)
Foreign tax	29,942	68,952
Total current tax	29,942	67,360
Deferred tax		
Origination and reversal of timing differences	281,593	532,996
Adjustments in respect of prior periods	756,978	(202,245)
Adjustments in respect of changes in tax rate	97,002	(620,269)
Total deferred tax	1,135,573	(289,518)
Total tax recognised in the profit and loss account	1,165,515	(222,158)

8. Taxation (CONTINUED)

Reconciliation of effective tax rate

The tax assessed for the year is higher than (2022: lower than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

	2023 £	2022 £
Profit on ordinary activities before tax	1,235,932	1,027,043
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	234,827	195,138
Non-deductible expenses	4,765	43,733
Depreciation on ineligible assets	191,989	164,438
Fixed asset (gain) / loss on disposal	(609,408)	71,339
Adjustments to previous periods	(279,764)	(218,579)
Foreign corporation tax adjustment	23,979	68,952
Group tax relief	467,653	62,555
Deferred tax impact FRS 102	-	(4,207)
Change in future tax rates	97,002	(620,269)
Group relief prior year	1,036,742	14,742
Capital gains	166,604	-
Other differences leading to an increase (decrease) in the tax charge	(168,874)	-
Total tax charge for the period/year	1,165,515	(222,158)

The company has estimated trading losses of £6,336,763 (2022: £10,125,606) available to carry forward against future trading profits. A deferred tax asset has been recognised in respect of these losses as shown in note 17.

	Current tax £	Deferred tax £	2023 Total tax £	Current tax £	Deferred tax £	2022 Total tax £
Recognised in Profit and loss account	29,942	1,135,573	1,165,515	67,360	(289,518)	(222,158)
Recognised in Other comprehensive income	-	(57,432)	(57,432)	-	84,720	84,720
	29,942	1,078,141	1,108,083	67,360	(204,798)	(137,438)

8. Taxation (CONTINUED)

Factors that may affect future tax charges

In the March 2021 Budget announcement in the United Kingdom, it was announced that the corporation tax rate will increase to 25% for larger companies from 1 April 2023.

9. Tangible fixed assets

	Long leasehold property £	Short leasehold property £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost or valuation					
At 30 January 2022	1,112,519	1,935,927	17,487,318	20,103,232	40,638,996
Additions	-	29,914	2,644,472	1,156,278	3,830,664
Disposals	(1,112,519)	(8,571)	-	(265,256)	(1,386,346)
Reclassification	-	(14,031)	17,962	8,839	12,770
At 28 January 2023	-	1,943,239	20,149,752	21,003,093	43,096,084
Depreciation					
At 30 January 2022	415,551	1,633,120	13,547,239	16,499,701	32,095,611
Charge for the period on owned assets	3,414	126,197	2,406,920	1,367,989	3,904,520
Disposals	(418,965)	(4,387)	(469)	(265,256)	(689,077)
Reclassification	-	(14,031)	17,962	8,839	12,770
At 28 January 2023	-	1,740,899	15,971,652	17,611,273	35,323,824
Net book value					
At 28 January 2023	-	202,340	4,178,100	3,391,820	7,772,260
At 29 January 2022	696,968	302,807	3,940,079	3,603,531	8,543,385

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	28 January 2023 £	29 January 2022 £
Computer equipment	-	143,917

10. Fixed asset investments

	Shares in subsidiary undertakings £
Shares in subsidiary undertakings	
Cost	
At 30 January 2022	887,829
At 28 January 2023	887,829
Net book value	
At 28 January 2023	887,829
At 29 January 2022	887,829

Subsidiary undertakings

The company holds share capital in the following company:

Company	Country of registration or incorporation	Class of shares	%
Dune Shoes Ireland Limited	Republic of Ireland	Ordinary	100

11. Stock

	28 January 2023 £	29 January 2022 £
Finished goods and goods for resale	18,664,675	17,975,658

12. Debtors

	28 January 2023 £	29 January 2022 £
Trade debtors	3,298,914	2,471,068
Amounts owed by group undertakings	12,421,757	11,007,932
Other debtors	514,536	731,669
Deferred taxation (Note 17)	2,635,595	3,713,797
Prepayments and accrued income	3,265,039	2,725,827
Corporation tax	-	383,626
Derivative financial instruments (Note 28)	747	157,769
	22,136,588	21,191,688

13. Cash and cash equivalents

	28 January 2023 £	29 January 2022 £
Cash at bank and in hand	690,300	413,914
Less: bank overdrafts	(3,984,232)	(2,703,158)
	(3,293,932)	(2,289,244)

14. Creditors: amounts falling due within one year

	28 January 2023 £	29 January 2022 £
Bank loans and overdrafts	3,984,232	2,703,158
Trade creditors	19,935,108	20,436,217
Amounts owed to group undertakings	2,622,874	4,995
Other taxation and social security	3,805,634	3,936,372
Other creditors	43,270	128,433
Obligations under finance lease and hire purchase contracts	-	143,916
Accruals and deferred income	4,598,168	5,826,294
Derivative financial instruments (Note 28)	114,654	5,371
	35,103,940	33,184,756

a) The bank loans and overdrafts are secured by:

- a fixed and floating charge over the assets of the Company;
- an unlimited cross guarantee and set-off agreement given by the Company and its fellow group undertakings to secure all liabilities of each other.

b) A parental guarantee has been given on the obligations under finance leases and hire purchase contracts (in the prior year).

15. Provisions

	2023 £	2022 £
At 30 January 2022	974,692	2,994,475
Utilised in the period	(141,569)	(1,574,015)
Reversal of unused amounts	(499,981)	(445,768)
At 28 January 2023	333,142	974,692

The above provisions are related to onerous leases. It is expected that £166,187 (2022: £360,324) of the provision will be utilised/unwound within one year, and the remainder between two and five years.

16. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	28 January 2023 £	29 January 2022 £
Within one year	-	143,916
	-	143,916

17. Deferred tax

	2023 £
At beginning of year	3,713,797
Charged to profit or loss	(1,135,634)
Charged to other comprehensive income	57,432
	2,635,595

The net reversal expected in the next reporting period in relation to deferred tax assets above is £1,129,999 (2022: £1,208,487) for capital allowances, carried forward losses and unpaid pension contributions and derivative financial instruments The net reversal expected in the next reporting period in relation to the deferred tax liabilities above is £4,207 (2022: £33,162) for roll over relief.

The deferred tax asset is made up as follows:

	28 January 2023 £	29 January 2022 £
Capital Allowances	1,078,860	1,642,637
Tax losses carried forward	1,584,191	2,149,901
Unpaid pension contributions	29,964	15,984
Derivative financial instruments	28,477	(28,955)
Roll over relief	(85,897)	(65,770)

18. Pension and other post-retirement benefit commitments

Defined contribution

	28 January 2023 £	29 January 2022 £
Contributions payable by the Company for the period	413,439	499,147

19. Share capital

	28 January 2023 £	29 January 2022 £
Allotted, called up and fully paid		
5,000,000 (2022:5,000,000) Ordinary shares of £1.00 each	5,000,000	5,000,000

20. Reserves

Called up share capital - represents the nominal value of shares that have been issued.

Cashflow hedge reserves - comprises the movement in fair value of derivatives on the balance sheet.

Retained earnings - includes all current and prior period retained profits and losses.

21. Contingent liabilities

In the prior period the Company's lenders had given a duty deferment guarantee for £300,000 in favour of HM Revenue and Customs on behalf of the Company where there was potential recourse to the Company. HMRC no longer required this guarantee and therefore it was removed in December 2022. The Company continues to have Authorised Economic Operator (AEO) status from HMRC.

The Company together with its group entities, Dune Holdings Limited, Dune International Limited, Dune Brand Limited and Dune Topco Limited, have given a cross guarantee to its lender for group facilities and borrowings. In the Company the total bank loan and overdrafts is £3,984,232 (2022: £2,703,158).

22. Financial commitments

At 28 January 2023 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings 28 January 2023 £	Land and buildings 29 January 2022 £	Other 28 January 2023 £	Other 29 January 2022 £
Within one year	2,759,788	3,498,314	33,777	36,346
Between two and five years	2,005,224	8,085,291	52,851	18,431
In over five years	3,924,702	3,502,438	-	-
	8,689,714	15,086,043	86,628	54,777

23. Directors' remuneration

	28 January 2023 £	29 January 2022 £
Remuneration for qualifying services	1,886,331	1,713,359
Company pension contributions to defined contribution schemes	70,775	57,259
Compensation for loss of office	115,885	-
	2,072,991	1,770,618

The total number of directors in the period was 9 (2022: 8).

The number of directors for whom retirement benefits accrued under defined contribution schemes amounted to 8 (2022: 8).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	623,719	592,664

24. Employees

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	18,708,240	16,697,045
Social security costs	1,662,133	1,473,773
Other pension costs	413,439	499,147
	20,783,812	18,669,965

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

	2023 £	2022 £
Management and administration	207	188
Sales	570	580
Distribution	109	122
	886	890

An average of 41 (2022: 35) employees within the management and administration line are employed by Dune Group Limited whose salary costs are fully recharged to Dune International Limited, a fellow subsidiary of Dune Topco Limited.

25. Control

On the 31 March 2022, the Group undertook a corporate reorganisation to simplify the group structure resulting the incorporation of a new holding company, Dune Topco Limited to which the ownership of the Company was transferred from Dune Holdings Limited.

As at the period end the immediate parent is Dune Topco Limited, a company registered in England and Wales and the ultimate controlling parties are Daniel and Anne Rubin, directors.

The largest group in which the results of the Company are consolidated is that headed by Dune Topco Limited. The consoldiated financial statements of the group are available to the public and may be obtained from 4th Floor, The White Building, 11 Evesham Street, London, W11 4AJ.

26. Related party transactions

The Company has taken advantage of the exemption available in accordance with FRS 102, paragraph 33.1.A 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the Company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

At the balance sheet date, the Company had the following balances and transactions with an undertaking that is jointly controlled by the parent company:

	28 January 2023 £	29 January 2022 £
Trade debtor balance	618,446	277,085
Management charges received	196,427	170,253

During the period £5,703 (2022: £57,030) was paid to a director in respect of rent.

27. Financial assets and liabilities

	28 January 2023 £	29 January 2022 £
Financial assets measured at amortised cost	16,235,206	14,210,669
Financial assets measured at fair value	747	157,769
Financial liabilities measured at amortised cost	(26,847,454)	(28,847,495)
Financial liabilities measured at fair value	(114,654)	(5,371)

Financial assets measured at amortised cost comprise trade debtors, intercompany trading balances and other debtors.

Financial liabilities measured at amortised cost comprise bank and other loans and overdrafts, trade creditors, intercompany trading balances, other creditors, accruals, hire purchase commitments and deferred income.

Financial assets and liabilities measured at fair value comprise derivative financial instruments (note 27).

28. Derivatives and other instruments

The majority of the Company's supplies are sourced overseas. These purchases are priced in Sterling, US dollars and Euros. The Company's policy is to eliminate the majority of currency exposures on purchases through forward foreign currency contracts.

Carrying amount of financial instruments
The carrying amounts of the financial assets and liabilities relating to derivative financial instruments include:

	28 January 2023 £	29 January 2022 £
Assets measured at fair value through OCI	747	157,769
Liabilities measured at fair value through OCI	(114,654)	(5,371)
	(113,907)	152,398

Financial instruments measured at fair value
The Company uses derivative financial instruments in the form of contracts for the forward purchase of US Dollars and Euros. These grant the Company the ability to buy foreign currency at a fixed price over the life of the contracts. The fair value of these contracts as at the balance sheet date has been calculated using an estimated forward rate as at that date. This forward rate has been calculated using the interpolated zero coupon rates based upon the then money market and swap interest rates for each currency pair as reported by ICE Benchmark Administration Limited and the Financial Times respectively.

Hedge accounting
For cash flow hedges: the amount of the change in fair value of the hedging instrument recognised in other comprehensive income for the period, the amount (if any) that was reclassified from equity to profit or loss for the period; and the amount (if any) of any excess of the fair value of the hedging instrument over the change in the fair value of the expected cash flow that was recognised in profit or loss for the period.

28. Derivatives and other instruments (CONTINUED)

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur as required by FRS 102.12.29(a) for the cash flow hedge accounting models:

	2023			2022		
	Carrying amount £	**Expected cash flows £**	**1 year or less £**	**Carrying amount £**	**Expected cash flows £**	**1 year or less £**
Forward exchange swaps						
Assets	**747**	**969,171**	**969,171**	38,894	7,197,056	7,197,056
Liabilities	**(2,548)**	**1,495,492**	**1,495,492**	(5,371)	1,418,561	1,418,561
Forward exchange contracts						
Assets	**-**	**-**	**-**	118,875	8,838,109	8,838,109
Liabilities	**(112,106)**	**5,446,633**	**5,446,633**	-	-	-
	(113,907)	**7,911,296**	**7,911,296**	152,398	17,453,726	17,453,726

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to affect the profit and loss account:

	2023			2022		
	Carrying amount £	**Expected cash flows £**	**1 year or less £**	**Carrying amount £**	**Expected cash flows £**	**1 year or less £**
Forward exchange swaps						
Assets	**747**	**121,758**	**121,758**	38,894	562,944	562,944
Liabilities	**(2,548)**	**123,556**	**123,556**	(5,371)	200,487	200,487
Forward exchange contracts						
Assets	**-**	**-**	**-**	118,875	761,891	761,891
Liabilities	**(112,106)**	**917,003**	**917,003**	-	-	-
	(113,907)	**1,162,317**	**1,162,317**	152,398	1,525,322	1,525,322