

Company number: 02874123

Airwair (1994) Limited

**Annual Report and Financial Statements
for the 53 weeks ended 2 April 2023**

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Airwair (1994) Limited

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Airwair (1994) Limited

Company Information

For the 53 weeks ended 2 April 2023

Directors

Jon Mortimore
Emily Reichwald

Secretary

Prism Cosec Limited
Highdown House
Yeoman Way
Worthing
West Sussex
BN99 3HH

Registered office

Cobbs Lane
Wollaston
Northamptonshire
NN29 7SW
United Kingdom

Independent auditor

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH
United Kingdom

Bankers

HSBC Bank PLC
8 Canada Square
London
United Kingdom
E14 5HQ

Airwair (1994) Limited is a private company registered in England and Wales, United Kingdom, limited by shares.

Airwair (1994) Limited

Directors' Report

For the 53 weeks ended 2 April 2023

The Directors present their annual report and financial statements for Airwair (1994) Limited (the 'Company') for the 53 weeks ended 2 April 2023. The prior period is presented for the 52 weeks ended 27 March 2022.

Directors

The following Directors have, unless otherwise stated, held office throughout the period and up to the date of approval of this report:

Jon Mortimore
Emily Reichwald

The Company maintained Directors' and Officers' liability insurance cover throughout the reporting period and up until the date of approval of these financial statements, providing appropriate cover for legal action brought against the Directors.

Principal activities

The Company's principal activity is that of an intermediate holding company within the Group headed up by Dr. Martens plc.

Results for the period

The loss for the 53 weeks after taxation is £151k (2022: £72k).

Dividends

The Directors do not propose the payment of a dividend for the period (2022: £nil).

Future developments

The purpose of the Company is primarily to support companies which are part of the Group headed by Dr. Martens plc, no significant changes are planned. A full review of the Group's plans is included within the Dr. Martens plc consolidated accounts.

Going concern

The Company is reliant on the continued financial support of other Group companies. The Directors of the Company's ultimate holding company in the UK, Dr. Martens plc, have confirmed that future liabilities of Airwair (1994) Limited will be met as they fall due by Dr. Martens plc through a letter of support.

The Company is part of Dr. Martens plc Group and the Group's activities, together with the factors likely to affect future developments, its financial position, and its exposure to risks are described in the Strategic Report of the Group Annual Report and Accounts.

The financial statements have been prepared on a going concern basis. The Directors' assessment is based on the Group's detailed trading and cash flow forecasts, including forecast liquidity and covenant compliance. The period of management's assessment is from the date of the signing of the financial statements to 30 September 2024 and the going concern basis is dependent on the Group maintaining adequate levels of resources to operate during the period.

Based on the going concern assessment (discussed in note 2.5 of the financial statements) the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the 12 months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Airwair (1994) Limited

Directors' Report (continued)

For the 53 weeks ended 2 April 2023

Statement of directors' responsibilities in respect of the financial statements

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 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 101 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 are 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 also 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;
- 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.

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, were appointed in the year. Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

On behalf of the board



Jon Mortimore

Director

22 September 2023

Company registration number: 02874123

Airwair (1994) Limited

Independent auditors' report to the members of Airwair (1994) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Airwair (1994) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 2 April 2023 and of its loss for the 53 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 2 April 2023; the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Airwair (1994) Limited

Independent auditors' report to the members of Airwair (1994) Limited (continued)

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 2 April 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Company Act 2006 and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the use of journals to manipulate financial performance and management bias when making estimates. Audit procedures performed by the engagement team included:

- identifying and testing journal entries using a risk-based targeting approach for unexpected account combinations;
- challenging assumptions and judgements made by management in determining accounting estimates (because of the risk of management bias);
- discussions with management, internal audit and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- assessing financial statement disclosures, agreeing these to underlying supporting documentation, for compliance with the UK Companies Act 2006.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Airwair (1994) Limited

Independent auditors' report to the members of Airwair (1994) Limited (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jonathan Sturges (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
26 September 2023

Airwair (1994) Limited

Statement of Profit or Loss and Other Comprehensive Income

For the 53 weeks ended 2 April 2023

	Notes	Total 2023 £000	Total 2022 £000
Administrative expenses	3	(202)	(72)
Loss before tax		(202)	(72)
Income tax credit	7	51	-
Loss for the period		(151)	(72)
Total comprehensive expense for the period		(151)	(72)

The results for the periods presented above are derived from continuing operations and are entirely attributable to the owners of the Company.

The notes on pages 10 to 17 form part of these financial statements.

Airwair (1994) Limited

Balance Sheet

As at 2 April 2023

Company registration number: 02874123

	Notes	Total 2023 £000	Total 2022 £000
Non-current assets			
Investments	8	5,107	5,099
		5,107	5,099
Current assets			
Trade and other receivables	9	262	333
Cash and cash equivalents	10	103	1
		365	334
Total assets		5,472	5,433
Current liabilities			
Trade and other payables	11	(5,542)	(5,352)
		(5,542)	(5,352)
Total liabilities		(5,542)	(5,352)
Net (liabilities)/assets		(70)	81
Equity and reserves			
Share capital	13	1	1
Retained (losses)/earnings		(71)	80
Total equity		(70)	81

The notes on pages 10 to 17 form part of these financial statements.

The financial statements on pages 7 to 17 were approved and authorised by the Board of Directors on 22 September 2023 and signed on its behalf by:



Jon Mortimore
Director
22 September 2023

Airwair (1994) Limited

Statement of Changes in Equity

For the 53 weeks ended 2 April 2023

Notes	Share capital £000	Retained (losses)/earnings £000	Total equity £000
At 28 March 2021	1	152	153
<i>Comprehensive income</i>			
Loss for the period	-	(72)	(72)
Total comprehensive expense for the period	-	(72)	(72)
At 27 March 2022	1	80	81
<i>Comprehensive income</i>			
Loss for the period	-	(151)	(151)
Total comprehensive expense for the period	-	(151)	(151)
At 2 April 2023	1	(71)	(70)

The notes on pages 10 to 17 form part of these financial statements.

Airwair (1994) Limited

Notes to the Financial Statements

For the 53 weeks ended 2 April 2023

1. General information

Airwair (1994) Limited (the 'Company') is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The Company's registered office is Cobbs Lane, Wollaston, Northamptonshire, United Kingdom, NN29 7SW. The principal activity of the Company is as an investment holding company. The Company is a subsidiary within the Dr. Martens plc group (the 'Group'). 2023 is presented for the 53 weeks ended 2 April 2023, and 2022 for the 52 weeks ended 27 March 2022.

2. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to the periods presented, unless otherwise stated. Amounts are presented in GBP and to the nearest thousand pounds unless otherwise noted.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101'), and in conformity with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Company's financial statements have been prepared on a going concern basis under the historical cost convention.

Certain amounts in the Statement of Profit or Loss and the Balance Sheet have been grouped together for clarity, with their breakdown being shown in the notes to the financial statements. The distinction presented in the Balance Sheet between current and non-current entries has been made on the basis of whether the assets and liabilities fall due within one year or more.

In preparing the Financial Statements management has considered the impact of climate change, particularly in the context of the financial statements as a whole, in addition to disclosures included in the Group's Strategic report this year. This included an assessment of the impact on the carrying value of non-current assets and the impact on forecasts used in the impairment review and the assessment of going concern. These considerations did not have a material impact on the financial reporting judgements and estimates, consistent with the assessment that climate change is an emerging risk and not expected to have a significant impact on the Company's going concern assessment, which has been considered up to 30 September 2024.

2.2 Disclosure exemptions

In preparing its individual financial statements under FRS 101, the Company has taken advantage of the following disclosure exemptions permitted by FRS 101:

- IFRS 7 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- The following paragraphs of IAS 1 'Presentation of financial statements':
 - 10(d), (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures).
- IAS 7 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8 'Accounting policies', changes in accounting estimates and errors';
- Paragraph 17 and 18A of IAS 24 'Related party disclosures' (key management compensation);
- The requirements in IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- Paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based payment' (details of the number and weight average exercise prices of share options, and how the fair value of goods or services received was determined).

The Company has taken advantage of the exemption from preparing consolidated financial statements under Section 401 of the Companies Act 2006 because the Company and all of its subsidiary undertakings are included in consolidated accounts for a larger group drawn up to the same date.

Notes to the Financial Statements

For the 53 weeks ended 2 April 2023

2. Accounting policies (continued)

2.2 Disclosure exemptions(continued)

The Company has taken advantage of the exemption from preparing a strategic report under section 414B of the Companies Act 2006 because the Company would be entitled to the small companies exemption but for it being a member of an ineligible group.

2.3 Adoption of new and revised standards

The Company has not early adopted any amendments, standards or interpretations that have been issued but are not yet effective.

New standards and interpretations not yet applied

The following new or amended IFRS accounting standards, amendments and interpretations are not yet adopted, and it is expected that where applicable, these standards and amendments will be adopted on each respective effective date:

- Amendments to IAS 1 – Presentation of financial statements: non-current liabilities with covenants
- Amendments to IAS 1 – Classification of liabilities as current, and disclosure of accounting policies
- Amendments to IAS 8 – Definition of accounting estimates
- Amendments to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction
- Implementation of IFRS 17.

These standards, amendments or interpretations are not expected to have a material impact on the Company in the current or future reporting periods.

2.4 Non-UK currency

The functional currency of the Company is that of the primary economic environment in which the entity operates. Monetary assets and liabilities denominated in non-UK currencies are translated into GBP at the rates of exchange ruling at the period end. Transactions in non-UK currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Profit or Loss.

2.5 Going concern

These financial statements have been prepared on a going concern basis. The Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern, as the Company is reliant on the continued financial support of other Group companies. The Directors of the Company's ultimate holding company in the UK, Dr. Martens plc, have confirmed that they will provide, where necessary, financial support to the Company such that the Company is able to operate as a going concern and be able to settle its liabilities as they fall due. Dr. Martens plc has issued the Company a letter of support to cover at least a 12 month period following the issuance of these financial statements.

The Company is part of Dr. Martens' plc group and the Group's activities, together with the factors likely to affect future developments, its financial position, and its exposure to risks, are described in the Strategic Report of the Group Annual Report and Accounts.

2.6 Administrative income and expenses

Administrative income and expenses are recognised in the Statement of Profit or Loss as incurred.

2.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax movement recognised. The tax currently payable is based on taxable profit. Taxable profit differs from net profit as reported in the Statement of Profit or Loss 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. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Notes to the Financial Statements

For the 53 weeks ended 2 April 2023

2. Accounting policies (continued)

2.7 Taxation (continued)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the historical financial information and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are recognised for taxable temporary differences arising in investments in subsidiaries except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 to the period when the asset is realised, or the liability is settled. Deferred tax is charged or credited in the Statement of Profit or Loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

2.8 Dividends

Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders. Interim dividends are recorded in the period in which they are approved and paid.

2.9 Investments

Investments are stated at cost less provision for impairment.

2.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets, and to settle the liabilities simultaneously.

2.11 Financial assets

Trade and other receivables

Trade receivables are assessed under IFRS 9 and measured at amortised cost using the effective interest rate method. The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss (FVPL). The most significant financial assets of the Company are its cash and trade receivables. ECLs are based on the difference between the contractual cashflows due in accordance with the contract and all the cashflows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and on demand deposits, and other short-term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Notes to the Financial Statements

For the 53 weeks ended 2 April 2023

2. Accounting policies (continued)

2.12 Financial liabilities

The Company classifies and measures all of its non-derivative financial liabilities at amortised cost.

Initial recognition

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the course of ordinary business from suppliers. Accounts 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 payables are recognised initially at fair value and subsequently held at amortised cost using the effective interest rate method.

2.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.14 Significant judgements and estimates

The preparation of the Company's financial statements in conforming with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances. However, the nature of estimation means that actual outcomes could differ from those estimates.

Whilst these areas do not meet the definition under IAS 1 of significant accounting estimates or critical accounting judgements, the recognition and measurement of certain material assets and liabilities are based on assumptions and/or subject to longer term uncertainties. Information about such judgements and estimation is contained in the accounting policies and/or notes to the financial statements and are summarised below.

Sources of estimation uncertainty and assumptions

The following estimates are dependent upon assumptions which could change in the next financial year and have an effect on the carrying amount of assets and liabilities recognised at the Balance Sheet date:

Corporation tax

The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which the determination is made. Management is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies (see note 7). In addition, the assessment of uncertain tax positions is based on management's interpretation of relevant tax rules and decided cases, external advice obtained, the statute of limitations, the status of the negotiations and past experience with tax authorities. In evaluating whether a provision is needed it is assumed that tax authorities have full knowledge of the facts and circumstances applicable to each issue.

Airwair (1994) Limited

Notes to the Financial Statements

For the 53 weeks ended 2 April 2023

2. Accounting policies (continued)

2.14 Significant judgements and estimates (continued)

Investments

The Company assesses, at each reporting date, whether there is an indication that any investment may be impaired. If any indication exists, or when annual impairment testing for an investment is required, the Company estimates the investments' recoverable amount. In assessing an investment's recoverable amount, 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 risk specific to the investment.

3. Expenses analysis

Profit before tax is stated after charging:

	2023	2022
	£000	£000
Foreign exchange losses	178	66
Other operating expenses	24	6
	202	72

4. Auditor's remuneration

	2023	2022
	£000	£000
Fees payable to the Company's auditor for the audit of the financial statements	15	6

The Company's auditor was Ernst & Young LLP in 2022 and PricewaterhouseCoopers LLP in 2023.

5. Staff costs

The company had no employees during the period (2022: none).

6. Directors' remuneration

No directors received remuneration during the period in respect of their services to the Company (2022: none). The directors were all remunerated by other Group companies, and this was not in respect of their directorships of the Company. Their remuneration is wholly disclosed in the financial statements of those companies, not being separately allocable to the Company.

Airwair (1994) Limited

Notes to the Financial Statements

For the 53 weeks ended 2 April 2023

7. Income tax

The Company calculates the tax expense/credit for the period using the tax rate that would be applicable to the expected total annual earnings. The major components of tax expense/credit in the Statement of Profit or Loss are:

	2023 £000	2022 £000
Current tax		
Current tax on UK profit for the period	-	-
Group relief receivable ¹	(36)	-
Adjustments in respect of prior periods ²	(15)	-
	(51)	-
Deferred tax		
Origination and reversal of temporary differences	-	-
Adjustment in respect of prior periods	-	-
	-	-
Total tax credit in the Statement of Profit or Loss	(51)	-

1. The company has surrendered the benefit of tax losses to another group company for a consideration of £36k.

2. The adjustment in respect of prior periods is in relation to the receipt of £15k for the surrender of tax losses to another group company.

	2023 £000	2022 £000
Factors affecting the tax income for the period:		
Loss before tax	(202)	(72)
Loss before tax multiplied by standard rate of UK corporation tax of 19% (FY22: 19%)	(38)	(13)
Effects of:		
Non-deductible expenses	2	-
Surrender of losses to other group companies	36	13
Group relief	(36)	-
Adjustments to tax charge in respect of prior periods ¹	(15)	-
Total tax credit in the Statement of Profit or Loss	(51)	-

1. The adjustment in respect of prior periods is in relation to the receipt of £15k for the surrender of tax losses to another group company.

Factors that may affect future tax charges

On 3 March 2021, the 2021 UK Budget announced an increase to the corporation tax rate from 19% to 25% effective from April 2023. This was substantively enacted on 24 May 2021.

8. Investments

	Subsidiary undertakings £000
Cost	
At 27 March 2022	7,060
Additions	8
At 2 April 2023	7,068
Accumulated impairment	
At 27 March 2022	1,961
At 2 April 2023	1,961
Net book value	
At 2 April 2023	5,107
At 27 March 2022	5,099

A list of the Company's investments in subsidiary undertakings can be found in note 16.

Airwair (1994) Limited

Notes to the Financial Statements

For the 53 weeks ended 2 April 2023

9. Trade and other receivables

	2023 £000	2022 £000
Amounts due from Group undertakings	262	333

Amounts due from Group undertakings are non-interest-bearing balances and are repayable on demand. IFRS 9 expected credit losses have been assessed as immaterial in relation to these balances.

10. Cash and cash equivalents

	2023 £000	2022 £000
Cash and cash equivalents	103	1

11. Trade and other payables

	2023 £000	2022 £000
Amounts owed to Group undertakings	5,527	5,346
Accruals	15	6
	5,542	5,352

All trade and other payables are expected to be settled within 12 months of the period-end date. The fair value of trade and other payables is the same as the carrying values shown above.

12. Deferred taxation

Deferred taxation not provided in the financial statements:

	2023 £000	2022 £000
Tax losses	2,170	2,170

Net tax losses not recognised relate to non-trade losses, calculated using the rate at which the losses would be expected to be used. There is £8,676k (2022: £8,681k) of gross tax losses that have not been provided for. A deferred tax asset has not been recognised as the availability of future profits against which they may be used is uncertain.

13. Share Capital

	FY23 No.	FY23 £000	FY22 No.	FY22 £000
Authorised, called up and fully paid				
Ordinary shares of £1 each	1,000	1	1,000	1

14. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share capital	Nominal value of subscribed shares.
Retained (losses)/earnings	Retained (losses)/earnings represent the accumulated profits and losses of the Company made in current and preceding periods, net of distributions. Included in retained (losses)/earnings are distributable reserves.

Airwair (1994) Limited

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15. Related party transactions

There were no transactions with related parties which require disclosure (2022: none).

16. Subsidiary undertakings

The registered address and principal place of business of each subsidiary undertaking are shown in the footnotes below the table. The financial performance and financial position of these undertakings have been consolidated in the Group Consolidated Financial Statements.

Name	Country of registration	Class of share capital held	Nature of investment		Nature of business
			Direct	Indirect	
DM Airwair Germany GmbH ⁹	Germany	Ordinary	100%	-	Footwear retail and distribution
DM Airwair Sweden AB ¹⁰	Sweden	Ordinary	100%	-	Footwear retail and distribution
Dr. Martens Airwair (Ireland) Limited ⁸	Republic of Ireland	Ordinary	100%	-	Footwear retail and distribution
Dr. Martens Airwair Trading (Zhuhai) Company Limited ¹¹	China	Ordinary	-	100%	Manufacturing support
Dr Martens Airwair Belgium SA ⁵	Belgium	Ordinary	99%	1%	Footwear retail and distribution
Dr Martens Airwair France SAS ⁶	France	Ordinary	100%	-	Footwear retail and distribution
Dr. Martens Airwair Hong Kong Limited ²	Hong Kong	Ordinary	100%	-	Footwear retail and distribution
Dr. Martens Airwair Japan K.K. ⁴	Japan	Ordinary	100%	-	Footwear retail and distribution
Dr. Martens Airwair Korea Limited ³	Korea	Ordinary	100%	-	Footwear retail and distribution
Dr. Martens Airwair Spain S.L.U. ¹³	Spain	Ordinary	100%	-	Footwear retail and distribution
Dr Martens Italy S.R.L. ¹¹	Italy	Ordinary	100%	-	Footwear retail and distribution
Dr Martens Airwair Netherlands B.V. ⁷	Netherlands	Ordinary	100%	-	Footwear retail and distribution
Shanghai Airwair Trading Limited ¹²	China	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair Poland Z.o.o. ¹⁵	Poland	Ordinary	100%	-	Footwear retail and distribution
Dr. Martens Airwair Denmark ApS ¹⁶	Denmark	Ordinary	100%	-	Footwear retail and distribution
Dr Martens Airwair Singapore PTE Ltd ¹⁴	Singapore	Ordinary	100%	-	Dormant

*The financial year of this entity ends on 31 December in line with local requirements.

1. No. 04B, F16, Seat B, No 2021, Jiluzhou Avenue West, Zhuhai 519000, Guangdong Province, China.

2. Unit 2306-11, 23F, Sun Life Tower, The Gateway Tower 5, Harbour City, 15 Canton Road, Tsim Sha Tsui, Hong Kong.

3. 1F, Yanghwa-ro 10-gil 45, Mapo-gu, Seoul, South Korea.

4. 5-2-28 Jingumae, Shibuya, Tokyo, Japan 150-0001.

5. Avenue du Port 86C, Box 204, 1000 Brussels.

6. 5, Cité Trévise 75009 Paris.

7. Herikerbergweg 238, Luna Arena, 1101 CM Amsterdam, Netherlands.

8. 3rd Floor Kilmore House, Park Lane, Spencer Dock, Dublin 1, Republic of Ireland.

9. 5. Etage, Plane Mühle 2 40221 Düsseldorf, Germany.

10. Blekingegatan 48, 11662 Stockholm, Sweden.

11. Via Morimondo 26-20143 Milano, Italy.

12. No. 101-217, Floor 1, No.5 Building, Alley 128, Linhong Road, Changning District, Shanghai, China.

13. C/Príncipe de Vergara, 112 4A Planta 28002, Madrid, Spain.

14. 77 Robinson Road, 13-00 Robinson 77, Singapore 068896.

15. Rondo, Daszyńskiego 2B, 00-843 Warsaw, Poland.

16. H.C. Andersens Boulevard 38, 3. Th, 1553, København, 1553 Langebro, Denmark.

17. Ultimate parent undertaking and controlling party

The Company's immediate parent company is Airwair Limited; its ultimate parent company and controlling party is Dr. Martens plc. Both companies are registered in England and Wales. The Directors consider Dr. Martens plc to be the smallest group for which group financial statements including Airwair (1994) Limited are drawn up. Copies of its Group financial statements are available from its Company Secretary at its registered office 28 Jamestown Road, Camden, London, United Kingdom, NW1 7BY.