REGISTERED NUMBER: 03240384 (England and Wales)

Strategic Report,

Report of the Directors and

Financial Statements

for the Period 25 June 2020 to 31 March 2021

for

INCORPORATEWEAR LIMITED

Contents of the Financial Statements
for the period 25 June 2020 to 31 March 2021

INCORPORATEWEAR LIMITED

Company Information
for the period 25 June 2020 to 31 March 2021

Directors:	E Grigg S S Sohal R S Sohal
Registered office:	Edison Road Hams Hall Distribution Park Coleshill West Midlands B46 1DA
Registered number:	03240384 (England and Wales)
Auditors:	Haines Watts Birmingham LLP 5-6 Greenfield Crescent Edgbaston Birmingham B15 3BE
Bankers:	HSBC Bank Plc 120 Edmund Street Birmingham B3 2QZ

Strategic Report
for the period 25 June 2020 to 31 March 2021

The directors present their strategic report for the period 25 June 2020 to 31 March 2021.

Review of business
During the period Incorproatewear has continued to respond and react to the global economic and social pressures, including but not limited to the fall out of Covid-19. Whilst Incorporatewear has proudly stayed operational through the UK lockdown providing our customers' key workers in the healthcare, transport, banking and security sectors with the uniforms they require, the impact of Covid-19 has been significant on our customers in the airline, tourism and retail sectors, which in turn has led to a significant reduction our sales in the financial period.

Sales showed a decline of 40.25% from the previous financial year, this is primarily due to the current period only being for 9 months to March 2021 and the impact of Covid-19 on the business. Whilst gross margin has decreased to 19.25% from 21.55%.

The business embraces the ownership by Direct Corporate Clothing Plc and the continuous improvement in principals, policies, processes and ethical controls required by any large organisation. Share best practice and resource sharing also continue to develop to keep pace with the ever-changing world economy. The business has continued to focus on improving offshore manufacturing costs to mitigate inflationary pressures.

With continued uncertainty around the economy following Covid-19, the Director's remain cautious about future growth and customer behaviour. Whilst Britains departure from the European Union has been settled, the Company is investigating the impacts of the "Country of Origin" rules and the impact of potential double duty which may be incurred on the export of certain goods into the EU. This coupled with increased paperwork requirements will have implications in the short term, mainly associated with the smothness of trade, however plans are in place to ensure the Company's supply chain continues as normal and adapts to these challenges faced.

Principal risks and uncertainties
The significant risks and uncertainties are set out below.

The global impact of Covid has led to unprecedented uncertainties around future demand from our customers, particularly in the airline, tourism and retail sectors. The Company is mitigating these uncertainties where possible by utilising out long established customer relationships to provide as much insight into future demand as possible. The Company is also actively working with customers to manage stock levels.

The price of many raw materials is dependent upon movements in commodity prices. In order to reduce the risk, the Company sources from various suppliers across the world enabling sources of supply to be switched.

The majority of the Company's purchases are denominated in foreign currency, particularly Euro and US Dollars. Historically the Company has reduced exposure to currency fluctuations by using the Treasury facilities offered by the previous parent company to minimise risk where possible. The Company now mitigates currency exposure by the placing of forward hedging deals.

The Company trades only with recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

In common with other industrial business the Company is subject to risks associated with the environment. The Company manages these risks by continual review of its processes to identify opportunities for improvement, whilst ensuring that the supply chain standards are met or exceeded at all times.

On behalf of the board:

E Grigg - Director

16 December 2021

Report of the Directors
for the period 25 June 2020 to 31 March 2021

The directors present their report with the financial statements of the company for the period 25 June 2020 to 31 March 2021.

Principal activity
The principal activity of the Company is the design, supply and management of corporate clothing for business use.

Dividends
No dividends will be distributed for the period ended 31 March 2021.

Directors
E Grigg has held office during the whole of the period from 25 June 2020 to the date of this report.

Other changes in directors holding office are as follows:

S S Sohal - appointed 3 March 2021
R S Sohal - appointed 3 March 2021

Statement of directors' responsibilities
The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors
Haines Watts Birmingham LLP were appointed during the year and are deemed to be re-appointed under section 487 (2) of the Companies Act 2006.

On behalf of the board:

E Grigg - Director

16 December 2021

Opinion
We have audited the financial statements of Incorporatewear Limited (the 'company') for the period ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 31 March 2021 and of its loss 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and wider economy. The Directors' view on the impact of COVID-19 is disclosed in the accounting policies note.

Other information
The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

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 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.

Opinions on 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102), and relevant tax legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant key audit matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Report of the Auditors.

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 a Report of the Auditors 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.

Andrew Hughes (Senior Statutory Auditor)
for and on behalf of Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

20 December 2021

Income Statement
for the period 25 June 2020 to 31 March 2021

	Notes	Period 25/6/20 to 31/3/21 £	Period 1/7/19 to 24/6/20 £
Turnover	3	**11,104,246**	18,586,977
Cost of sales		**(8,967,122)**	(14,582,290)
Gross profit		**2,137,124**	4,004,687
Distribution costs		**(257,856)**	(226,032)
Administrative expenses		**(2,377,785)**	(4,369,674)
		(498,517)	(591,019)
Other operating income		**84,274**	234,009
Operating loss	5	**(414,243)**	(357,010)
Income from shares in group undertakings		**84,624**	2,580,376
		(329,619)	2,223,366
Interest payable and similar expenses	7	**(30,136)**	(171,316)
(Loss)/profit before taxation		**(359,755)**	2,052,050
Tax on (loss)/profit	8	**45,870**	101,244
(Loss)/profit for the financial period		**(313,885)**	2,153,294

The notes form part of these financial statements

Other Comprehensive Income
for the period 25 June 2020 to 31 March 2021

	Notes	**Period 25/6/20 to 31/3/21 £**	Period 1/7/19 to 24/6/20 £
(Loss)/profit for the period		**(313,885)**	2,153,294
Other comprehensive income		**-**	-
Total comprehensive income for the period		**(313,885)**	2,153,294

The notes form part of these financial statements

Balance Sheet
31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	9		**8,771**		9,086
Tangible assets	10		**321,215**		370,331
			329,986		379,417
Current assets					
Stocks	11	**4,425,058**		4,855,079	
Debtors	12	**3,375,815**		2,591,192	
Cash at bank and in hand		**1,720,615**		4,679,486	
		9,521,488		12,125,757	
Creditors					
Amounts falling due within one year	13	**3,986,974**		6,963,989	
Net current assets			**5,534,514**		5,161,768
Total assets less current liabilities			**5,864,500**		5,541,185
Provisions for liabilities	15		**637,200**		-
Net assets			**5,227,300**		5,541,185
Capital and reserves					
Called up share capital	16		**996,416**		996,416
Share premium	17		**853,721**		853,721
Capital redemption reserve	17		**12,000**		12,000
Retained earnings	17		**3,365,163**		3,679,048
Shareholders' funds			**5,227,300**		5,541,185

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2021 and were signed on its behalf by:

E Grigg - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the period 25 June 2020 to 31 March 2021

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 July 2019	996,416	1,525,754	853,721	12,000	3,387,891
Changes in equity					
Total comprehensive income	-	2,153,294	-	-	2,153,294
Balance at 24 June 2020	996,416	3,679,048	853,721	12,000	5,541,185
Changes in equity					
Total comprehensive income	-	(313,885)	-	-	(313,885)
Balance at 31 March 2021	996,416	3,365,163	853,721	12,000	5,227,300

1. **Statutory information**

Incorporatewear Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **Accounting policies**

Basis of preparing the financial statements
These financial statements have been prepared 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 financial statements have been prepared under the historical cost convention.

The accounts for the current period have been prepared for 9 months to 31 March 2020 the previous period financial statements where prepared for 12 months to 24 June 2020.

Going concern
The financial statements have been prepared on a going concern basis which the directors believe to be appropriate. The board has carried out a robust assessment of the principal risks facing the company and identified no significant uncertainties in relation the Company's ability to continue as a going concern.

Financial Reporting Standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of paragraph 33.7;
- the requirements of paragraph 24(b) of IFRS 6.

Significant judgements and estimates
The preparation of financial statements requires management to make estimates and judgements that affect the reported amount of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from those estimates and judgements. Where appropriate, details of estimates and assumptions used are set out in the relevant notes to the accounts.

The key figures in the accounts that are most sensitive to estimates and assumptions are:

- Stock provision- the Company makes a provision against those stock items in which recoverability is uncertain, in assessing stock provisions the Company takes account of the number of units despatched over a 12 month period as compared to the number of units held in stock with the provision made against those items in excess of 12 months stock.

Impairment of property, plant and equipment - the Company performs an impairment review when indications of impairment exist. Impairment testing requires an estimate of future cash flows and the application of suitable discount rate.

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2. Accounting policies - continued

Turnover
Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have passed to the buyer. The Company has two distinct points where these risks and rewards are passed, on receipt of goods into the Company warehouse and on dispatch to customers. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales tax and duty.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:
- the significant risks and rewards of ownership are transferred to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

Intangible assets
Intangibles assets are stated at cost less accumulated amortisation and accumulated impairment losses. Computer software is initially recorded at cost. Where these assets have been acquired through a business combination, this will be the fair value allocated in the acquisition accounting. Where these have been acquired other than through a business combination, the initial cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Computer software and other intangible assets are amortised over their useful lives on straight line basis with the amortisation charge included within other operating expenses.

Estimated useful life is the shorter of legal duration and economic useful life, which represents the directors best estimate of the period over which the asset may be used to generate significant economic benefits to this.

Tangible fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation.

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

Plant and machinery	10 - 20% straight line
Fixtures and fittings	10 - 33% straight line
Leasehold improvements	10% straight line
Leasehold land & buildings	5 - 20% straight line

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.

Government grants
Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are accrued. Grants relating to an asset are recognised in income systemically over the assets expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

Government grants relating to property, plant and equipment are treated as deferred income and released to profit or loss over the expected useful lives of the assets concerned.

Investments in subsidiaries
Investments in subsidiaries are stated at cost, less impairment, and dividends from subsidiaries are taken to profit or loss when the right to receive payment is established.

continued...

2. **Accounting policies - continued**

Stocks
Stocks are valued at the lower of cost and net realisable value, which is arrived at as follows:

Raw materials	- purchase cost on a first-in, first-out basis
Work in progress and finished goods	- actual cost of direct materials and labour plus attributable overheads based on a normal level of activity but excluding borrowing costs

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

Financial instruments
Basic financial instruments
Trade and other debtors/creditors
Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus 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.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Other financial instruments - interest-bearing borrowings classified as basic financial instruments
Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method less any impairment losses.

Financial instruments not considered to be basic financial instruments
Other financial instruments not meeting the definition of basic financial instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

> investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
> hedging instruments in a designated hedging relationship shall be recognised as set out below.

Derivative financial instruments and hedging
Derivative financial instruments are recognised at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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2. **Accounting policies - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences arising on translation are recognised in the profit and loss account.

Pension costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

3. **Turnover**

The turnover and loss (2020 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	Period 25/6/20 to 31/3/21	Period 1/7/19 to 24/6/20
	£	£
United Kingdom	**11,104,246**	18,586,977
	11,104,246	18,586,977

4. **Employees and directors**

	Period 25/6/20 to 31/3/21	Period 1/7/19 to 24/6/20
	£	£
Wages and salaries	**1,666,896**	3,123,951
Social security costs	**152,612**	264,041
Other pension costs	**85,716**	110,373
	1,905,224	3,498,365

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4. **Employees and directors - continued**

The average number of employees during the period was as follows:

	Period 25/6/20 to 31/3/21	Period 1/7/19 to 24/6/20
Distribution	31	35
Administration	52	69
	83	104

	Period 25/6/20 to 31/3/21 £	Period 1/7/19 to 24/6/20 £
Directors' remuneration	173,530	141,689
Directors' pension contributions to money purchase schemes	15,555	5,698

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1	1

5. **Operating loss**

The operating loss is stated after charging/(crediting):

	Period 25/6/20 to 31/3/21 £	Period 1/7/19 to 24/6/20 £
Depreciation - owned assets	60,566	78,789
Computer software amortisation	5,722	38,777
Auditors' remuneration	35,500	41,000
Impairment of intangible assets	-	460,740
Operating leases - land and buildings	296,965	383,649
Operating leases - other	13,715	89,662
Cost of stocks recognised as an expense	7,630,752	13,349,806
Foreign exchange loss/(gain)	121,889	(79,907)

6. **Exceptional items**

	Period 25/6/20 to 31/3/21 £	Period 1/7/19 to 24/6/20 £
Exceptional items	(3,132)	(318,000)

Operating exceptional costs of (£3,132) (2020: £318,000) relate to redundancy costs that have been incurred from restructuring undertaken during the current period.

 continued...

7. Interest payable and similar expenses

	Period 25/6/20 to 31/3/21	Period 1/7/19 to 24/6/20
	£	£
Finance charges	7,526	36,967
Group loan interest	22,610	134,349
	30,136	171,316

8. Taxation

Analysis of the tax credit

The tax credit on the loss for the period was as follows:

	Period 25/6/20 to 31/3/21	Period 1/7/19 to 24/6/20
	£	£
Current tax:		
UK corporation tax	-	(17,665)
Deferred tax	(45,870)	(83,579)
Tax on (loss)/profit	(45,870)	(101,244)

Reconciliation of total tax credit included in profit and loss

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

	Period 25/6/20 to 31/3/21	Period 1/7/19 to 24/6/20
	£	£
(Loss)/profit before tax	(359,755)	2,052,050
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(68,353)	389,890
Effects of:		
Expenses not deductible for tax purposes	(212)	-
Income not taxable for tax purposes	(16,079)	(490,270)
Adjustments to tax charge in respect of previous periods	-	(17,195)
Creation of tax losses	38,774	17,422
Change tax rate	-	(1,091)
Total tax credit	(45,870)	(101,244)

continued...

9. **Intangible fixed assets**

	Computer software £
Cost	
At 25 June 2020	**985,179**
Additions	**5,407**
At 31 March 2021	**990,586**
Amortisation	
At 25 June 2020	**976,093**
Amortisation for period	**5,722**
At 31 March 2021	**981,815**
Net book value	
At 31 March 2021	**8,771**
At 24 June 2020	9,086

10. **Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Totals £
Cost			
At 25 June 2020	**807,476**	**198,871**	**1,006,347**
Additions	**-**	**11,450**	**11,450**
At 31 March 2021	**807,476**	**210,321**	**1,017,797**
Depreciation			
At 25 June 2020	**438,297**	**197,719**	**636,016**
Charge for period	**57,566**	**3,000**	**60,566**
At 31 March 2021	**495,863**	**200,719**	**696,582**
Net book value			
At 31 March 2021	**311,613**	**9,602**	**321,215**
At 24 June 2020	369,179	1,152	370,331

11. **Stocks**

	2021 £	2020 £
Finished goods	**4,395,687**	4,848,847
Work-in-progress	**29,371**	6,232
	4,425,058	4,855,079

The replacement cost of stock is not materially different from the amount shown above.

continued...

12. Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	**2,915,834**	2,106,983
Other debtors	**125,223**	94,686
Corporation Tax	**17,422**	17,422
Prepayments	**176,097**	276,732
	3,234,576	2,495,823
Amounts falling due after more than one year:		
Deferred tax asset	**141,239**	95,369
Aggregate amounts	**3,375,815**	2,591,192

Deferred tax asset

	2021	2020
	£	£
Accelerated capital allowances	**6,393**	7,864
Tax losses carried forward	**132,280**	85,836
Other timing differences	**2,566**	1,669
	141,239	95,369

13. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	**3,257,237**	1,476,632
Amounts owed to group undertakings	**-**	4,157,577
Social security and other taxes	**96,976**	54,264
VAT	**56,375**	140,127
Other creditors	**25,693**	116,673
Accruals and deferred income	**550,693**	1,018,716
	3,986,974	6,963,989

Trade creditors are non-interest bearing and are normally on terms 30 to 60 days.

Amounts due to group undertakings are interest bearing and repayable on demand by agreement with the parent parent company.

14. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	**363,060**	429,623
Between one and five years	**75,452**	177,479
	438,512	607,102

15. Provisions for liabilities

	2021	2020
	£	£
Other provisions	**637,200**	-

continued...

15. **Provisions for liabilities - continued**

	Deferred tax
	£
Balance at 25 June 2020	(95,369)
Credit to Income Statement during period	(45,870)
Balance at 31 March 2021	(141,239)

16. **Called up share capital**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
996,416	Ordinary shares	£1	996,416	996,416

17. **Reserves**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 25 June 2020	3,679,048	853,721	12,000	4,544,769
Deficit for the period	(313,885)			(313,885)
At 31 March 2021	3,365,163	853,721	12,000	4,230,884

18. **Pension commitments**

The company participates in an ongoing defined contribution scheme, in which assets are held independently.

Amounts unpaid to the defined contribution scheme at period end was £13,505 (2020 - £9,898).

19. **Related party disclosures**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

20. **Ultimate controlling party**

At the start of the period the company was a wholly owned subsidiary of The Workware Group Holding Pty Limited and the controlling company was Wesformers Limited, a company incorporated in Australia. On 3 March 2021, the company was acquired by Direct Corporate Clothing PlcThe immediate parent company is Direct Corporate Clothing Plc. The ultimate controlling party are the directors of Mr Rajinder Singh Sohal and Mr Sarbjit Singh Sohal.