

INCORPORATEWEAR LIMITED

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 March 2023

Contents of the Financial Statements  
for the year ended 31 March 2023

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3 to 4
Report of the Independent Auditors	5 to 7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 to 20

**INCORPORATEWEAR LIMITED**

**Company Information**  
**for the year ended 31 March 2023**

<b>Directors:</b>	E Grigg S S Sohal R S Sohal
<b>Registered office:</b>	Edison Road Hams Hall Distribution Park Coleshill West Midlands B46 1DA
<b>Registered number:</b>	03240384 (England and Wales)
<b>Auditors:</b>	Cooper Parry Group Limited Statutory Auditor CUBO Birmingham Office 401, 4th Floor Birmingham West Midlands B3 3AX
<b>Bankers:</b>	HSBC Bank Plc 120 Edmund Street Birmingham B3 2QZ

Strategic Report  
for the year ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

**Review of business**

During the period Incorporatewear has seen an increase in existing customer requirements following the return of demand within the airline, tourism and retail sectors. Many of the customers are looking to refresh their uniforms in the coming 12 months.

Sales showed an increase of 44.7% from the previous financial year, primarily due to customer demand returning to normal following COVID-19, along with the successful roll-out of the uniform for the Commonwealth Games held in Birmingham. Gross margin improved from 13.45% to 16.25%.

The program of continuous improvement has led to our owners Workwear Uniform Group Limited (formally Direct Corporate Clothing Plc) investing in an automated warehousing system which, as a brand, we will be able to take advantage of during 2024. This will ensure our customers receive the best service whilst maintaining cost controls. In addition the new facility will reduce our Carbon footprint significantly.

The Company continues to pursue its growth organically within its core sectors. This is throughout the United Kingdom and Europe via our sister subsidiary Workwear Uniform Group BV.

**Principal risks and uncertainties**

The significant risks and uncertainties are set out below.

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. In addition it is taking advantage by moving some of its sourcing to K&D, a related party of Workwear Uniform Group Limited.

The majority of the Company's purchases are denominated in foreign currency, particularly Euro and US Dollars. The Company 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.

The Company has a broad customer base which it services through its own client portal, with no single customer making up a significant proportion of the Company's turnover. The Directors keep this under constant review to ensure that there is no reliance on any one customer.

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

**Post balance sheet events**

On the 1st April 2023, the business merged with Workwear Uniform Group Limited (previously known as Direct Corporate Clothing plc). All employees were TUPE and all assets and liabilities were transferred to the existing legal entity that owns the shares of Incorporatewear. The business continues to trade under that name as a leading supplier within the Coporatewear market.

**On behalf of the board:**

S S Sohal - Director

28 March 2024

Report of the Directors  
for the year ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

**Principal activity**

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

On 1 April 2023 the company's trading business and assets were hived up into the parent company, Workwear Uniform Group Limited.

**Dividends**

No dividends will be distributed for the year ended 31 March 2023.

**Events since the end of the year**

Information relating to events since the end of the year is given in the notes to the financial statements.

**Directors**

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

E Grigg  
S S Sohal  
R S Sohal

**Going concern**

On 1 April 2023 the company's trade, assets and liabilities were hived up into the parent company, Workwear Uniform Group Limited. These financial statements are prepared on a wind-up basis of accounting where all assets are stated at their expected recoverable amounts. Following the hive up, any additional costs of the company will be borne by Workwear Uniform Group Limited.

**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.

Report of the Directors  
for the year ended 31 March 2023

**Auditors**

The audit business of Haines Watts Birmingham LLP was acquired by Cooper Parry Group Limited on 14 November 2023. Haines Watts Birmingham LLP has resigned as auditor and Cooper Parry Group Limited has been appointed in its place.

The auditors, Cooper Parry Group Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**On behalf of the board:**

S S Sohal - Director

28 March 2024

Report of the Independent Auditors to the Members of  
Incorporatewear Limited

**Opinion**

We have audited the financial statements of Incorporatewear Limited (the 'company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 non-going concern context in the preparation of the financial statements is appropriate.

The company ceased trading on 1 April 2023. We acknowledge and agree that the accounts should be prepared on a basis other than 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 over the managements treatment of going concern.

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

**Emphasis of matter**

We draw attention to note 21 in the financial statements which explains that the company's trade, assets and liabilities were hived up into the parent company, Workwear Uniform Group Limited, on 1 April 2023. As such, we do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in the paragraph titled 'Going Concern' shown in Note 2.

**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.

Report of the Independent Auditors to the Members of  
Incorporatewear Limited

**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, but were not limited to:

- 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 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



Report of the Independent Auditors to the Members of  
Incorporatewear Limited

**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 FCA (Senior Statutory Auditor)  
for and on behalf of Cooper Parry Group Limited  
Statutory Auditor  
CUBO Birmingham  
Office 401, 4th Floor  
Birmingham  
West Midlands  
B3 3AX

28 March 2024

Statement of Comprehensive  
Income  
for the year ended 31 March 2023

	<b>Notes</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Turnover</b>	3	<b>27,440,723</b>	18,964,728
Cost of sales		<u>(22,980,429)</u>	<u>(16,414,566)</u>
<b>Gross profit</b>		<b>4,460,294</b>	2,550,162
Distribution costs		<b>(70,285)</b>	(256,716)
Administrative expenses		<u>(3,504,561)</u>	<u>(2,961,161)</u>
<b>Operating profit/(loss)</b>	5	<b>885,448</b>	(667,715)
Interest receivable and similar income		<b>175</b>	-
		<u>885,623</u>	<u>(667,715)</u>
Interest payable and similar expenses	7	-	(1,022)
<b>Profit/(loss) before taxation</b>		<b>885,623</b>	(668,737)
Tax on profit/(loss)	8	<b>149,630</b>	(70,345)
<b>Profit/(loss) for the financial year</b>		<u><b>1,035,253</b></u>	<u>(739,082)</u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<u><b>1,035,253</b></u>	<u>(739,082)</u>

The notes form part of these financial statements

**INCORPORATEWEAR LIMITED (REGISTERED NUMBER: 03240384)**

**Statement of Financial Position**  
**31 March 2023**

	<b>Notes</b>	<b>£</b>	<b>2023</b> <b>£</b>	<b>£</b>	<b>2022</b> <b>£</b>
<b>Fixed assets</b>					
Intangible assets	9		-		3,231
Tangible assets	10		-		299,875
			-		303,106
<b>Current assets</b>					
Stocks	11	12,147,119		4,679,639	
Debtors	12	4,973,567		5,697,493	
Cash at bank and in hand		265,794		1,511,793	
		17,386,480		11,888,925	
<b>Creditors</b>					
Amounts falling due within one year	13	11,015,809		6,976,613	
<b>Net current assets</b>			6,370,671		4,912,312
<b>Total assets less current liabilities</b>			6,370,671		5,215,418
<b>Provisions for liabilities</b>	16		847,200		727,200
<b>Net assets</b>			5,523,471		4,488,218
<b>Capital and reserves</b>					
Called up share capital	17		996,416		996,416
Share premium	18		853,721		853,721
Capital redemption reserve	18		12,000		12,000
Retained earnings	18		3,661,334		2,626,081
<b>Shareholders' funds</b>			5,523,471		4,488,218

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2024 and were signed on its behalf by:

S S Sohal - Director

Statement of Changes in Equity  
for the year ended 31 March 2023

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Capital redemption reserve £</b>	<b>Total equity £</b>
<b>Balance at 1 April 2021</b>	996,416	3,365,163	853,721	12,000	5,227,300
<b>Changes in equity</b>					
Total comprehensive income	-	(739,082)	-	-	(739,082)
<b>Balance at 31 March 2022</b>	996,416	2,626,081	853,721	12,000	4,488,218
<b>Changes in equity</b>					
Total comprehensive income	-	1,035,253	-	-	1,035,253
<b>Balance at 31 March 2023</b>	996,416	3,661,334	853,721	12,000	5,523,471

The notes form part of these financial statements

Notes to the Financial Statements  
for the year ended 31 March 2023

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.

**Going concern**

The financial statements are prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland as applied in a non-going concern context.

On 1 April 2023 the company's trade, assets and liabilities were hived up into the parent company, Workwear Uniform Group Limited. These financial statements are prepared on a wind-up basis of accounting where all assets are stated at their expected recoverable amounts. Following the hive up, any additional costs of the company will be borne by Workwear Uniform Group Limited.

The comparative numbers for the year ended 31 March 2022 were prepared on a going concern basis as they had been formally approved by the directors prior to the date of the hive up.

**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.

This information is included in the consolidated financial statements of Workwear Uniform Group Limited as at 31 March 2023 and these financial statements may be obtained from its registered office or directly from Companies House.

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

## 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.

### 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.

Notes to the Financial Statements - continued  
for the year ended 31 March 2023

2. **Accounting policies - continued**

**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.

**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.

Notes to the Financial Statements - continued  
for the year ended 31 March 2023

**2. Accounting policies - continued**

**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 profit (2022 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
United Kingdom	<b>21,893,762</b>	17,429,027
Europe	<b>5,432,579</b>	1,094,340
Worldwide	<b>114,382</b>	441,361
	<b>27,440,723</b>	18,964,728

**4. Employees and directors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>2,802,252</b>	2,405,023
Social security costs	<b>262,546</b>	211,133
Other pension costs	<b>132,301</b>	117,172
	<b>3,197,099</b>	2,733,328

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

	<b>2023</b>	<b>2022</b>
Distribution	<b>28</b>	36
Administration	<b>54</b>	59
	<b>82</b>	95

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	<b>122,853</b>	152,066
Directors' pension contributions to money purchase schemes	<b>21,636</b>	21,160

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

	<b>2023</b>	<b>2022</b>
Money purchase schemes	<b>1</b>	1



Notes to the Financial Statements - continued  
for the year ended 31 March 2023

5. **Operating profit/(loss)**

The operating profit (2022 - operating loss) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	101,525	95,618
Computer software amortisation	2,510	5,540
Auditors' remuneration	23,794	18,569
Impairment of intangible assets	721	-
Operating leases - land and buildings	497,435	399,147
Operating leases - other	74,489	80,765
Foreign exchange loss/(gain)	1,257,494	(324,004)
Impairment of tangible fixed assets	<u>204,886</u>	<u>-</u>

6. **Exceptional items**

	2023	2022
	£	£
Exceptional items	<u>-</u>	<u>(80,599)</u>

Operating exceptional costs of £Nil (2022 £80,599) relate to exceptional professional fees and to subsidiary closure costs that have been incurred from restructuring undertaken during the current and prior periods.

7. **Interest payable and similar expenses**

	2023	2022
	£	£
Finance charges	<u>-</u>	<u>1,022</u>

8. **Taxation**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the profit for the year was as follows:

	2023	2022
	£	£
Current tax:		
Over/(under) provision in prior period	-	(48,178)
Deferred tax	<u>(149,630)</u>	<u>118,523</u>
Tax on profit/(loss)	<u>(149,630)</u>	<u>70,345</u>

Notes to the Financial Statements - continued  
for the year ended 31 March 2023

8. **Taxation - continued**

**Reconciliation of total tax (credit)/charge included in profit and loss**

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

	2023 £	2022 £
Profit/(loss) before tax	<u>885,623</u>	<u>(668,737)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	<b>168,268</b>	(127,060)
Effects of:		
Expenses not deductible for tax purposes	<b>1,253</b>	25,081
Utilisation of tax losses	<b>(295,159)</b>	230,053
Adjustments to tax charge in respect of previous periods	<b>-</b>	(48,178)
Timing differences	<b>(373)</b>	(4,099)
Change in future rate of tax	<b>(23,619)</b>	(5,452)
Total tax (credit)/charge	<u><b>(149,630)</b></u>	<u>70,345</u>

**Factors that may effect future tax charges**

The main rate of corporation tax in force at the Statement of Financial Position date was 19%. A resolution to amend the corporation tax rate from 1 April 2023 was passed on 3 March 2021, at which point the main rate of corporation tax will increase to 25%. A small profits rate of 19% for companies with profits not exceeding £50k will take effect from the same date.

The deferred taxation balance has therefore been calculated at 25%, being the rate substantively enacted at the Statement of Financial Position date.

9. **Intangible fixed assets**

	<b>Computer software £</b>
<b>Cost</b>	
At 1 April 2022	
and 31 March 2023	<u><b>990,586</b></u>
<b>Amortisation</b>	
At 1 April 2022	<b>987,355</b>
Amortisation for year	<b>2,510</b>
Impairments	<b>721</b>
At 31 March 2023	<u><b>990,586</b></u>
<b>Net book value</b>	
At 31 March 2023	<u><b>-</b></u>
At 31 March 2022	<u><b>3,231</b></u>

Intangible fixed assets have been written down to a net book value of £Nil via an impairment write off of £721 in lieu of the hive up of the trade of Incorporatewear Limited to Workwear Uniform Group Limited as from 1 April 2023.

Notes to the Financial Statements - continued  
for the year ended 31 March 2023

10. **Tangible fixed assets**

	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>	<b>Totals £</b>
<b>Cost</b>			
At 1 April 2022	821,336	270,739	1,092,075
Additions	-	6,536	6,536
At 31 March 2023	<u>821,336</u>	<u>277,275</u>	<u>1,098,611</u>
<b>Depreciation</b>			
At 1 April 2022	575,794	216,406	792,200
Charge for year	76,470	25,055	101,525
Impairments	169,072	35,814	204,886
At 31 March 2023	<u>821,336</u>	<u>277,275</u>	<u>1,098,611</u>
<b>Net book value</b>			
At 31 March 2023	-	-	-
At 31 March 2022	<u>245,542</u>	<u>54,333</u>	<u>299,875</u>

Tangible fixed assets have been written down to a net book value of £Nil via an impairment write off of £204,886 in lieu of the hive up of the trade of Incorporatewear Limited to Workwear Uniform Group Limited as from 1 April 2023.

11. **Stocks**

	<b>2023 £</b>	<b>2022 £</b>
Finished goods	12,078,339	4,595,943
Work-in-progress	68,780	83,696
	<u>12,147,119</u>	<u>4,679,639</u>

An impairment loss of £43,504 (2022 - £749,302) was recognised in the Statement of Comprehensive Income during the year in respect of stock. As at the balance sheet date an impairment provision of £1,696,216 (2022 - £1,652,712) is provided against the stock balance.

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

12. **Debtors: amounts falling due within one year**

	<b>2023 £</b>	<b>2022 £</b>
Trade debtors	4,276,969	4,415,072
Amounts owed by group undertakings	-	519,516
Other debtors	71,842	286,787
VAT	62,405	-
Deferred tax asset	172,346	22,716
Prepayments	390,005	453,402
	<u>4,973,567</u>	<u>5,697,493</u>

Notes to the Financial Statements - continued  
for the year ended 31 March 2023

**12. Debtors: amounts falling due within one year - continued**

Deferred tax asset

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<b>59,652</b>	(2,223)
Other timing differences	<b>112,694</b>	24,939
	<u><b>172,346</b></u>	<u><b>22,716</b></u>

An impairment loss/(gain) of £94,315 (2022 - (£82,868)) was recognised in the Statement of Comprehensive Income during the year in respect of trade debtors. As at the balance sheet date an impairment provision of £180,651 (2022 - £106,336) is provided against the aged debtor balance.

**13. Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>9,250,199</b>	5,673,314
Amounts owed to group undertakings	<b>9,611</b>	-
Social security and other taxes	<b>67,784</b>	53,429
VAT	<b>-</b>	229,895
Other creditors	<b>10,728</b>	3,419
Accruals and deferred income	<b>1,677,487</b>	1,016,556
	<u><b>11,015,809</b></u>	<u><b>6,976,613</b></u>

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

Amounts due to group undertakings are interest free 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:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Within one year	<b>562,699</b>	529,185
Between one and five years	<b>513,256</b>	1,232,396
	<u><b>1,075,955</b></u>	<u><b>1,761,581</b></u>

Notes to the Financial Statements - continued  
for the year ended 31 March 2023

15. **Financial instruments**

	2023	2022
	£	£
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>4,784,234</u>	<u>7,186,570</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>10,806,885</u>	<u>6,693,289</u>

Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors, amounts owed by group undertakings, other debtors and prepayments.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings and related parties, other creditors, obligations under finance lease and hire purchase contracts and accruals.

Derivative financial instruments

The company enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. At 31 March 2023, the outstanding contracts all mature within 1 month (2022: 3 months) of the year end. The company is committed to purchasing \$2,500,000 (2022 US\$1,050,000) and to pay a fixed sterling amount.

The forward currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are the forward exchange rates for GBP:USD

The company has no interest rate derivative financial instruments (2022- none).

16. **Provisions for liabilities**

	2023	2022
	£	£
Other provisions	<u>847,200</u>	<u>727,200</u>
		<b>Deferred tax</b>
		£
Balance at 1 April 2022		(22,716)
Credit to Statement of Comprehensive Income during year		<u>(149,630)</u>
Balance at 31 March 2023		<u>(172,346)</u>

17. **Called up share capital**

**Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2023	2022
		£1	£	£
996,416	Ordinary shares		<u>996,416</u>	<u>996,416</u>

18. **Reserves**

	Retained earnings	Share premium	Capital redemption reserve	Totals
	£	£	£	£
At 1 April 2022	2,626,081	853,721	12,000	3,491,802
Profit for the year	<u>1,035,253</u>			<u>1,035,253</u>
At 31 March 2023	<u>3,661,334</u>	<u>853,721</u>	<u>12,000</u>	<u>4,527,055</u>

Notes to the Financial Statements - continued  
for the year ended 31 March 2023

**19. 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 £9,664 (2022 - £9,754).

**20. 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.

The parent company, Workwear Uniform Group Limited, is under the joint control of directors Mr Rajinder Singh Sohal and Mr Sarbjit Singh Sohal during the current and previous year.

Mr Rajinder Singh Sohal and Mr Sarbjit Sohal are also shareholders and directors in Paroh Limited, K&D Manufacturing Pvt Limited, Tilttoo Limited and Dashrent Limited. At the current and previous year end no amounts were owed to/from any of these companies by Incorporatewear Limited.

Incorporatewear Limited made purchases totalling £43,000 (2022 £Nil) from K&D Manufacturing Pvt Limited during the year.

No transactions occurred with any of the other companies listed above under common control.

Mr and Mrs Charan Dass Sohal, who are parents of Mr Rajinder Singh Sohal and Mr Sarbjit Singh Sohal, are shareholders and directors of Orbit International Plc.

During the year Incorporatewear Limited made purchases with a value of £303,000 (2022 £11,000) from Orbit International Plc.

At the year-end Incorporatewear Limited owed £113,793 (2022 £11,000) to Orbit International Plc.

**21. Post balance sheet events**

On 1 April 2023 the company's trade, assets and liabilities were hived up into the parent company, Workwear Uniform Group Limited. These financial statements are prepared on a wind-up basis of accounting where all assets are stated at their expected recoverable amounts. Following the hive up, any additional costs of the company will be borne by Workwear Uniform Group Limited.

**22. Ultimate controlling party**

The immediate parent company is Workwear Uniform Group Limited (formerly known as Direct Corporate Clothing Plc). The ultimate controlling party are the directors of Mr Rajinder Singh Sohal and Mr Sarbjit Singh Sohal.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.