

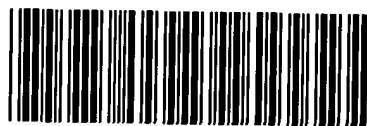
Company Registration No. 05416554

ADDEN LIMITED

Annual Report and Financial Statements

for the year ended 31 March 2023

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ADDEN LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2023

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ADDEN LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2023

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

G M Embley
V P Waylett

COMPANY SECRETARY

V P Waylett

REGISTERED OFFICE

The Corsetry Factory
Rothwell Road
Desborough
Kettering
Northamptonshire
NN14 2PG

BANKERS

Lloyds
7 High Street
Leicester
LE1 9FS

SOLICITORS

Gateley LLP
Ship Canal House
King Street
Manchester
M2 4WU

AUDITOR

Deloitte LLP
Statutory Auditor
Cambridge
United Kingdom

ADDEN LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2023.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption, accordingly the Company is also exempt from preparing a strategic report.

PRINCIPAL ACTIVITIES

The principal activity of the company is the retail of ladies underwear and swimwear. The directors are not aware at the date of this report of any likely major changes in the company's activities in the foreseeable future.

GOING CONCERN

The directors have reviewed the company's actual trading performance since the balance sheet date and its forecast trading results and related forecast cashflows for a period of at least twelve months from the date of approval of these financial statements. We have also considered the risks of those forecasts not being achieved and the company's options and planned response under those circumstances.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company is reliant upon the support of its immediate parent company, Wacoal Europe Limited.

Wacoal Europe Limited has provided the directors with confirmation that it will continue to provide the company with sufficient financial support, to the extent that it is not otherwise available, for a period of at least twelve months from the date of approval of the financial statements. The directors are satisfied that Wacoal Europe Limited has the ability to provide this support.

Having considered all of the above, the directors believe with reasonable certainty that the company has adequate resources to continue in operational existence for a period of at least twelve months from the date of signing of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS

The directors who served throughout the year and up to the date of this report are set out on page 1. The Company, via another group undertaking, has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

AUDITOR

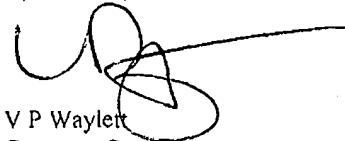
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the steps that he/she 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor of the company and a resolution for that reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



V P Waylett
Company Secretary
The Corsetry Factory,
Rothwell Road,
Desborough,
Northamptonshire,
NN14 2PG

14 September 2023

ADDEN LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADDEN LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Adden Limited (the 'company'):

- 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 16.

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).

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 auditor's 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 Financial Reporting Council's (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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADDEN LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team, including relevant internal specialists, such as IT specialists, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- Revenue recognition, and in particular the risk that there are manual adjustments made to revenue that override the recognition based on point of sale transactions. This is due to the fact that revenue transactions are system generated and therefore the greatest potential for fraudulent transactions lies in manual postings. We have profiled journals posted to revenue and tested a sample of these to ensure that manual entries are valid and that revenue has been appropriately recognised.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and reading minutes of meetings of those charged with governance.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADDEN LIMITED (CONTINUED)

Report on other legal and regulatory requirements

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Aylott FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Cambridge, United Kingdom

14 September 2023

ADDEN LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 March 2023

	Note	31 March 2023 £'000	31 March 2022 £'000
TURNOVER	3	516	605
Cost of sales		(174)	(225)
Gross profit		<u>342</u>	<u>380</u>
Selling & distribution costs		(112)	(118)
Administrative expenses		-	(1)
Other income – CJRS Government grant	4	-	2
Other income – Government grant		-	1
Other income – Transfer of York store		-	101
OPERATING PROFIT		<u>230</u>	<u>365</u>
Interest received		-	-
PROFIT BEFORE TAXATION	5	<u>230</u>	<u>365</u>
Tax on profit	6	(27)	(55)
PROFIT FOR THE YEAR		<u><u>203</u></u>	<u><u>310</u></u>

There are no other items of comprehensive income other than the profit for the year and the prior year and therefore no statement of comprehensive income is presented. The notes on pages 10 to 18 form part of these financial statements.

All activities relate to continuing operations.

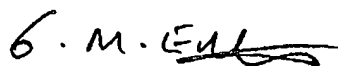
ADDEN LIMITED

BALANCE SHEET As at 31 March 2023

	Note	31 March 2023 £'000	31 March 2022 £'000
FIXED ASSETS			
Tangible assets	7	-	-
Investments	8	99	99
		<u>99</u>	<u>99</u>
CURRENT ASSETS			
Stocks	9	78	66
Debtors	10	38	55
Cash at bank and in hand		136	96
		<u>252</u>	<u>217</u>
CREDITORS: amounts falling due within one year	11	<u>(1,726)</u>	<u>(1,894)</u>
NET CURRENT LIABILITIES		<u>(1,474)</u>	<u>(1,677)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,375)</u>	<u>(1,578)</u>
NET LIABILITIES		<u><u>(1,375)</u></u>	<u><u>(1,578)</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	-	-
Profit and loss account	13	<u>(1,375)</u>	<u>(1,578)</u>
TOTAL SHAREHOLDERS' DEFICIT		<u><u>(1,375)</u></u>	<u><u>(1,578)</u></u>

The financial statements of Adden Limited (Company Registration number: 05416554) were approved by the Board of Directors and authorised for issue on 14 September 2023

Signed on behalf of the Board of Directors



G M Embley
Director



V P Waylett
Secretary

ADDEN LIMITED

STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2023

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
At 1 April 2021	-	(1,888)	(1,888)
Profit for the financial year	-	310	310
At 31 March 2022	-	(1,578)	(1,578)
Profit for the financial year	-	203	203
At 31 March 2023	-	(1,375)	(1,375)

ADDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

Adden Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 2.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Adden Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Adden Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. This company is included in the consolidated financial statements of Wacoal Holdings Corp., registered address 29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto 601-8530, Japan which is the ultimate parent company. The consolidated financial statements can be obtained from www.wacoalholdings.jp. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Related party transactions

The company has taken advantage of the exemption granted by paragraph 33.1A of FRS 102, Related Party Disclosures, from the requirements to disclose transactions with other group undertakings, where 100% of the voting rights are controlled within the group.

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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Consolidation

The company's financial statements present information about it as an individual undertaking and not about its group. The company has taken advantage of the exemption granted by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements in the current period.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

1. ACCOUNTING POLICIES (CONTINUED)

Financial assets and liabilities (continued)

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries, except where the company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Going concern

The directors have reviewed the company's actual trading performance since the balance sheet date and its forecast trading results and related forecast cashflows for a period of at least 12 months from the date of approval of these financial statements. We have also considered the risks of those forecasts not being achieved and the company's options and planned response under those circumstances.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company is reliant upon the support of its immediate parent company, Wacoal Europe Limited.

Wacoal Europe Limited has provided the directors with confirmation that it will continue to provide the company with sufficient financial support, to the extent that it is not otherwise available, for a period of at least twelve months from the date of approval of the financial statements. The directors are satisfied that Wacoal Europe Limited has the ability to provide this support

Having considered all of the above, the directors believe with reasonable certainty that the company has adequate resources to continue in operational existence for a period of at least twelve months from the date of signing of these financial statements. Accordingly, we continue to adopt the going concern basis in preparing the financial statements.

ADDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 March 2023

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets

The company's policy is to carry all assets at historical cost.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Fixtures and fittings, plant and equipment	20% per annum
Office and computer equipment	25% per annum

Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value.

Stocks

Stocks for resale are stated at the lower of cost and net realisable value. Cost is defined as the aggregate cost of finished merchandise purchased from suppliers and associated handling costs. Cost is calculated using the weighted average cost method. Net realisable value is based on normal selling price, less further costs expected to be incurred to completion and disposal.

Leases

Operating lease rentals are charged to income in equal amounts over the lease term.

Turnover

Turnover is stated net of VAT and discounts and is recognised when ownership of goods has passed to the customer. Goods are passed to the customer at point of sale in the store.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are not considered to be any critical judgements or key sources of estimation uncertainty.

3. TURNOVER

An analysis of the company's turnover is as follows:

	2023	2022
	£'000	£'000
Sale of goods	516	605

Turnover represents amounts derived from the provision of goods, which fall within the company's ordinary activities after deduction of value added tax. The turnover and pre-tax profit are attributable to the principal activity of the company and entirely relates to the United Kingdom.

ADDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 March 2023

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

No director received any emoluments for services to the company during the year (2022: none). Their emoluments are disclosed in the immediate parent company's financial statements.

	31 March 2023 Number	31 March 2022 Number
Average number of persons employed		
Sales and distribution	10	7
	£'000	£'000
Staff costs during the year		
Wages and salaries	80	106
Redundancy	-	(29)
Social security costs	4	9
Other pension costs	2	3
	86	89

In the previous year, Government grants of £2k were received in respect of the UK Government's Job Retention Scheme to provide immediate financial support as a result of the Covid-19 pandemic. These grants have been recognised as other income.

5. PROFIT BEFORE TAXATION

	31 March 2023 £'000	31 March 2022 £'000
Profit before taxation is after charging:		
Depreciation of tangible fixed assets:		
Owned assets (note 7)	-	1
Rentals under operating leases:		
Other operating leases	7	65

The statutory audit fee payable for the audit of the company's financial statements of £10,000 (2022: £10,000) is borne by another group company. During the year the company incurred £nil fees payable to the company's auditor for non-audit services (2022: £nil).

ADDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 March 2023

6. TAX ON PROFIT

a) Analysis of tax charge in the year:

	31 March 2023 £'000	31 March 2022 £'000
Current taxation		
United Kingdom corporation tax at 19% (2022: 19%) based on the taxable profit for the year	26	17
Adjustment in respect of previous years	(10)	38
Total current taxation	<u>16</u>	<u>55</u>
Deferred taxation		
Origination and reversal of timing differences	37	58
Effect of change in tax rate	-	(24)
Prior year	(26)	(34)
Total deferred taxation	<u>11</u>	<u>-</u>
Tax charge on profit	<u>27</u>	<u>55</u>

b) Factors affecting current tax charge in the period:

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2022: 19%). The actual tax charge for the current differs from the standard rate for the reasons set out in the following reconciliation:

	2023 £'000	2022 £'000
Profit before tax	<u>230</u>	<u>365</u>
Tax on profit/(loss) at standard UK corporation tax rate of 19% (2022: 19%)	44	69
Effects of:		
- Expenses not deductible for tax purposes	33	(10)
- Adjustments to tax charge in respect of previous periods	(36)	4
- Transfer pricing adjustment	(14)	(8)
Total tax charge for year	<u>27</u>	<u>55</u>

The tax charge has been calculated based on 19%.

It was announced in the 3 March 2021 Budget that the standard rate of corporation tax in the UK will increase from 19% to 25% with effect from April 2023. This was substantively enacted on 24 May 2021. At balance sheet date, deferred tax balances are measured at 25% (2022: 25%).

ADDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 March 2023

7. TANGIBLE FIXED ASSETS

	Office and computer equipment £'000	Fixtures, fittings, plant and equipment £'000	Total £'000
Cost			
At 1 April 2022	256	420	676
Disposals	(201)	(393)	(594)
At 31 March 2023	55	27	82
Accumulated depreciation			
At 1 April 2022	256	420	676
Charge for the year	-	-	-
Disposals	(201)	(393)	(594)
At 31 March 2023	55	27	82
Net book value			
At 31 March 2023	-	-	-
At 31 March 2022	-	-	-

8. INVESTMENTS

	£'000
Cost and net book value	
At 1 April 2022 and 31 March 2023	99

The investment balance relates to shares held in Eveden Israel Limited, a company incorporated in Israel. Eveden Israel Limited retails ladies underwear and swimwear. The registered office is 24 Imber Street, Petach, Tikva, Israel.

As at 31 March 2023 Adden Limited owned 202,000, 0.1 NIS (Israeli New Shekel) shares, this being 99% of the ordinary issued share capital (2022: 202,000, 0.1 NIS shares, 99% of the ordinary issued share capital).

9. STOCKS

	31 March 2023 £'000	31 March 2022 £'000
Goods for resale – finished goods	78	66

ADDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 March 2023

10. DEBTORS

	31 March 2023 £'000	31 March 2022 £'000
Trade debtors	4	4
Prepayments and accrued income	2	8
Deferred tax asset (note 12)	32	43
	<u>38</u>	<u>55</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 March 2023 £'000	31 March 2022 £'000
Trade creditors	29	8
Amounts owed to parent company	1,601	1,764
Amounts owed to fellow subsidiaries	44	71
Accruals and deferred income	4	13
Other taxes and social security	22	21
Corporation tax	26	17
	<u>1,726</u>	<u>1,894</u>

Amounts owed to parent undertaking and fellow subsidiaries are interest free, unsecured and repayable on demand.

ADDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 March 2023

12. DEFERRED TAX

	£'000
Balance at 1 April 2022 (note 10)	43
Current year credit	(11)
	<hr/>
Balance at 31 March 2023 (note 10)	32
	<hr/>

The deferred tax asset has been recognised on the basis of expected future profitability of the company. Of the deferred tax, there is deferred tax assets of £32,000 (2022: £43,000) expected to reverse within 12 months and relates to short-term timing differences.

The amounts provided in the financial statements and the amounts not provided are as follows:

	Provided 31 March 2023 £'000	Not Provided 31 March 2023 £'000	Provided 31 March 2022 £'000	Not Provided 31 March 2022 £'000
Capital allowances in advance of depreciation	25	-	32	-
Short term timing differences	7	-	11	-
	<hr/>	<hr/>	<hr/>	<hr/>
	32	-	43	-
	<hr/>	<hr/>	<hr/>	<hr/>

13. CALLED UP SHARE CAPITAL AND RESERVES

	31 March 2023 £'000	31 March 2022 £'000
Called up, allotted and fully paid 2 ordinary shares of £1 each	-	-
	<hr/>	<hr/>

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses, net of dividends paid.

14. PARENT COMPANY AND CONTROLLING PARTY

In the opinion of the directors the company's ultimate parent undertaking and controlling party is Wacoal Holdings Corp., which is incorporated in Japan. The largest and smallest group of which the company is a part, for which group financial statements are prepared is Wacoal Holdings Corp, registered address 29, Nakajima-cho, Kisshoin, Minami-ku, Kyoto 601-8530, Japan. The immediate parent company is Wacoal Europe Ltd. The consolidated financial statements are available from www.wacoalholdings.jp.

15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption granted by paragraph 33.1A of FRS 102, Related Party Disclosures, from the requirements to disclose transactions with other group undertakings where 100% of the voting rights are controlled within the group.