

REGISTERED NUMBER: 06899671 (England and Wales)

Group Strategic Report, Report of the Directors and  
Consolidated Financial Statements for the Year Ended 30 September 2022  
for  
Net World Sports Limited



Net World Sports Limited (Registered number: 06899671)

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for the Year Ended 30 September 2022

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Net World Sports Limited  
Company Information  
for the Year Ended 30 September 2022

**DIRECTORS:**

A Loven MBE  
Mrs C Loven  
P Loven  
Miss A Chadwick  
J Hughes

**REGISTERED OFFICE:**

Bryn Lane  
Wrexham Industrial Estate  
Wrexham  
Clywd  
LL13 9UT

**REGISTERED NUMBER:**

06899671 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Andrew Bridge BA FCA

**AUDITORS:**

Dains Audit Limited  
Suite 2, Albion House  
Etruria Office Village  
Forge Lane  
Stoke on Trent  
Staffordshire  
ST1 5RQ

Net World Sports Limited (Registered number: 06899671)

Group Strategic Report  
for the Year Ended 30 September 2022

The directors present their strategic report of the company and the group for the year ended 30 September 2022.

The principal activity of the company is the supply of own branded sports equipment to end users in the UK, US, EU and other locations across the world.

## **REVIEW OF BUSINESS**

We're business built on grit and determination to be the best. The odds of myself and other leading figures in the business achieving what we have would be in the many millions to one. This feat should always be remembered and celebrated.

In this report they want me to write about prescribed topics and in a prescribed style - but that would be mutiny for me. I think you get a good insight into which businesses are truly independent and which ones are in straightjackets

- by the contents of these reports and the prevalence in many reports of the endless tick box sleep inducing haze of words emitted from the vidi-printer of planet vacuum.

### **"VICTORY"**

Coming out of our greatest battle victorious was literally top bananas and a stonking great relief. To build a warehouse without development finance and to simultaneously grasp other opportunities was a journey of high stakes and even higher reward. Most importantly it's given us the golden triangle of retail; sell your own brands, direct to customer and from your own gargantuan warehouse. But that's the future, lets look at the past:

- **BREAKING NEWS:** We held all of our covid gains in YE2022. How many retail businesses that had big growth did that? Not many. If only the MPC were as good at controlling inflation as we are at keeping hold of growth.

### **"CLEANSING"**

For those who have read this report previously, they will know how our growth story was made far harder than it should have been due certain organisations fundamentally doubting us. I know this doubt has now completely been erased, but the scares and pain it caused don't just disappear. For anyone running a business you will know what's it like; the waiting, the relentless chasing, feeling your banging your head against a brick wall, being driven to despair, wasting days of your life, sucking the life out of you, the relentless sleepless nights and ultimately making you so incredibly fed up. But as usual we prevailed and at the end of the three-year journey we went from a £25m business to a £64m. For me the solution is simple, designate those that drive you potty "persona non grata" and simple don't see them, that's what Amy and John are for. My time is best spent with the 270 people we employee that will drive us forward and not those who have held us back.

## **Business Model**

Build a business that cannot be blown over; whatever the world, more volatile than ever, throws at it. Impregnable, unbeatable, unstoppable.

Group Strategic Report  
for the Year Ended 30 September 2022

**REVIEW OF BUSINESS**

**Financial Review**

We held covid gains, grew a smidge and had similar levels of profit to previous year. I can't really give you more than this as that would mean I would have to read the audited accounts. They're long and way too complex for a mere mortal - I'm sure some of you can relate, it's the type of thing where you ask a question and you instantly regret it, as you end up more confused than before you asked the question. It's also 1:45am and they have to be submitted tomorrow.

What I can share is some forward guidance for this year, turnover will be circa £75m!

**KPIs**

- Covid gains held
- In the 200 months we've been trading our YoY monthly sales have grown in 195 of them
- Warehouse completed
- Old warehouse rented out
- In-house restaurant serving fresh and delicious food at cost price - complete
- Time spent talking to accountants - zero
- Time spent waiting for meaningless forecasts - zero
- Time spent waiting for long credit approvals - zero
- Number of directors appointed so I don't have to go to the audit meeting - 2x
- Time spent falling into line with other businesses - zero
- Time spent being woke - zero
- Number of gender-neutral toilets - forever zero
- Posters of J K Rowling - many
- Deals done on handshakes without any solicitors nearby to complicate everything - many
- Solicitors taking too long to do things - improving
- Time spent worrying about currency trades - much less
- Years in row that website has crashed on black friday - 2
- Shareholding dilution - none
- CSR policy - none
- Number of trees planted - 35,000
- Number of animal rescues - many
- Number of ancient Oaks saved - 4x
- Wetlands Created - 1x
- Number of Oystercatcher chicks fledged - 1x
- Number of Lapwing chicks fledged - many
- Number of Curlew chicks fledged — many
- Overnight stays of Cranes - 1x
- Number of Barn Owl chicks fledged - 7x

## PRINCIPAL RISKS AND UNCERTAINTIES

- Ones you can plan for:
- Cyber Security, Weather and Insurance
- Recessions
- Currency
- Banks

- Wars
- Governments and Policy
- The Financial Markets
- Recessions
- Currency
- Banks
- Inflation
- Monetary Policy

## COVID

## Banks

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Net World Sports Limited (Registered number: 06899671)

Group Strategic Report  
for the Year Ended 30 September 2022

**Wrexham**

We are business built by the people of Wrexham for the people of Wrexham. Wrexham is a place on the up. We are locked and loaded to bring prosperity and opportunity to the people of Wrexham. No longer will it be a place where people leave, it's going to be place where people come. Simple as that. It's Net World's home, it's a fantastic place for us to be based and we look forward to further turbo charging its regeneration. Not just in economic terms, but also on community and environmental level.

I want Net World to be a force for good in Wrexham and surrounding area - this is something our actions (not words) will do the talking on. On this topic we have our Utopia City project - [www.utopiacity.co.uk](http://www.utopiacity.co.uk) - one of the most exciting commercial development projects in the UK, which also must benefit the people of Wrexham and particularly those closest to the development.

**Non-Executive Director**

I've been told we're missing a big trick by not having any non-executives. So I have appointed Toto, my dog.

**Real Directors & Senior Management Team**

As intimated earlier in the report, we appointed two directors. Amy and John. Both effervescent with Net World's culture, values and purpose. Both have had to work for it. Amy joined as a finance assistant and John as a warehouseman. Look at them now. We also promoted five (Adam, Jack, Matthew, Taylor and Will) to Trainee Senior Managers. This gives them a year to learn, make mistakes, develop and ultimately flourish in the role before becoming fully fledged Senior Managers. This select group also started at the bottom and worked their way up. Darwinism at its finest. Adding to this we have our encyclopaedic knowledge banks, geniuses and innovators in Charlie, Robbie, Phil and Serg.

What's incredibly important for me is I know if you cut them open they bleed Net World as much as I would.

**Future**

Qui audet adipiscitur.

**ON BEHALF OF THE BOARD:**



A Loven MBE - Director

30 June 2023

Net World Sports Limited (Registered number: 06899671)

Report of the Directors  
for the Year Ended 30 September 2022

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2022.

**DIVIDENDS**

The total distribution of dividends for the year ended 30 September 2022 will be £1,560,000.

The total distribution of dividends for the previous year ended 30 September 2021 was £1,474,000.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 October 2021 to the date of this report.

A Loven MBE  
Mrs C Loven  
P Loven

Other changes in directors holding office are as follows:

Miss A Chadwick and J Hughes were appointed as directors after 30 September 2022 but prior to the date of this report.

**SECTION 172 STATEMENT**

Our stakeholders are important to us, and we put all effort into making sure we are engaging with all of them. Our suppliers to get the best quality and price for our customers, and our customers to make sure it's a smooth transaction along with best quality products at the lowest possible price. Employees are what makes our business go round, we encourage everyone to utilise their skills and knowledge to be the best they can possibly be, in the best business there could possibly be!

We have arrangements in place to make sure we are accountable, transparent, fair and responsible in all we do, amongst other things.

**STREAMLINED ENERGY AND CARBON REPORTING**

<b>Energy and Carbon Reporting</b>	<b>2022</b>
Aggregate energy consumption in the year:	392,112 kWh
Miles completed by employees	37,211
Scope 2 emissions in CO2 equivalent:	
Purchased Electricity	83
Scope 3 emissions in CO2 equivalent:	
Employee-owned vehicles	105
Total gross emissions	188
Intensity ratio - CO2 equivalent per FTE	0.86

Emissions above calculated based off the 'UK Government GHG Conversion Factors for Group Reporting'.

Measures taken to improve efficiency:

- Implementation of a temperature-controlled air-con system
- Ensuring minimum usage of electricity for lighting, including the implementation of sensor lighting, and led lighting
- Use of electric powered warehouse equipment
- Review of the use of solar powered energy

We fully believe we are carbon neutral, and soon should be able to report on that to confirm.



Report of the Directors  
for the Year Ended 30 September 2022

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Dains Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



A Loven MBE - Director

30 June 2023

## Report of the Independent Auditors to the Members of Net World Sports Limited

### **Opinion**

We have audited the financial statements of Net World Sports Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 30 September 2022 and of the group's 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 group 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 group's and the parent 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 directors are responsible for the other information. The other information comprises the information in the Group 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.

Report of the Independent Auditors to the Members of  
Net World Sports Limited

**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 Group 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 Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 seven, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of  
Net World Sports Limited

**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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group and company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates are indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the group and company's legal advisors.

Report of the Independent Auditors to the Members of  
Net World Sports Limited

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

**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.

*Dains Audit Limited*

Andrew Bridge BA FCA (Senior Statutory Auditor)  
for and on behalf of Dains Audit Limited  
Suite 2, Albion House  
Etruria Office Village  
Forge Lane  
Stoke on Trent  
Staffordshire  
ST1 5RQ

30 June 2023

Net World Sports Limited (Registered number: 06899671)

Consolidated  
Income Statement  
for the Year Ended 30 September 2022

		30.9.22	30.9.21 as restated
	Notes	£	£
<b>TURNOVER</b>	3	64,557,238	61,379,699
Cost of sales		43,482,897	47,224,712
<b>GROSS PROFIT</b>		21,074,341	14,154,987
Administrative expenses		7,504,256	6,909,930
<b>OPERATING PROFIT</b>	5	13,570,085	7,245,057
Interest receivable and similar income	7	21,376	27,649
		13,591,461	7,272,706
Interest payable and similar expenses	8	4,092,074	2,176,757
<b>PROFIT BEFORE TAXATION</b>		9,499,387	5,095,949
Tax on profit	9	1,090,200	811,204
<b>PROFIT FOR THE FINANCIAL YEAR</b>		8,409,187	4,284,745
Profit attributable to: Owners of the parent		8,409,187	4,284,745

The notes form part of these financial statements

Net World Sports Limited (Registered number: 06899671)

Consolidated  
Other Comprehensive Income  
for the Year Ended 30 September 2022

	30.9.22	30.9.21 as restated
Notes	£	£
<b>PROFIT FOR THE YEAR</b>	8,409,187	4,284,745
<b>OTHER COMPREHENSIVE INCOME</b>		
Revaluation of property	8,155,504	11,847,462
Income tax relating to other comprehensive income	(2,922,541)	(2,088,901)
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	<u>5,232,963</u>	<u>9,758,561</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>14,043,306</u></u>
Prior year adjustment	Note 12 54,052	
<b>TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT</b>	<u><u>13,696,202</u></u>	
Total comprehensive income attributable to: Owners of the parent	<u><u>13,696,202</u></u>	<u><u>14,043,306</u></u>

The notes form part of these financial statements

Net World Sports Limited (Registered number: 06899671)

Consolidated Balance Sheet  
30 September 2022

		30.9.22	30.9.21 as restated
	Notes	£	£
<b>FIXED ASSETS</b>			
Intangible assets	13	9,750	11,250
Tangible assets	14	46,313,938	20,639,154
Investments	15	225,000	225,000
		<hr/>	<hr/>
		46,548,688	20,875,404
<b>CURRENT ASSETS</b>			
Stocks	16	9,326,271	9,814,921
Debtors	17	6,603,649	12,652,202
Cash at bank and in hand		2,856,816	1,249,225
		<hr/>	<hr/>
		18,786,736	23,716,348
<b>CREDITORS</b>			
Amounts falling due within one year	18	22,244,274	14,821,410
		<hr/>	<hr/>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		(3,457,538)	8,894,938
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/>	<hr/>
		43,091,150	29,770,342
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	-	(1,795,236)
<b>PROVISIONS FOR LIABILITIES</b>	24	(5,188,055)	(2,154,161)
<b>NET ASSETS</b>		<hr/>	<hr/>
		37,903,095	25,820,945
<b>CAPITAL AND RESERVES</b>			
Called up share capital	25	11,545	11,545
Revaluation reserve	26	14,991,524	9,758,561
Merger reserve	26	102	102
Retained earnings	26	22,899,924	16,050,737
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>		37,903,095	25,820,945
		<hr/>	<hr/>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 30 June 2023 and were signed on its behalf by:



A Loven MBE - Director

The notes form part of these financial statements



Net World Sports Limited (Registered number: 06899671)

Company Balance Sheet  
30 September 2022

		30.9.22		30.9.21 as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	13		9,750		11,250
Tangible assets	14		776,711		429,154
Investments	15		317,000		317,000
			<u>1,103,461</u>		<u>757,404</u>
<b>CURRENT ASSETS</b>					
Stocks	16	9,326,271		9,814,921	
Debtors	17	21,712,305		16,644,737	
Cash at bank and in hand		2,844,452		1,248,373	
		<u>33,883,028</u>		<u>27,708,031</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	18	12,666,276		12,920,805	
<b>NET CURRENT ASSETS</b>			<u>21,216,752</u>		<u>14,787,226</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>22,320,213</u>		<u>15,544,630</u>
<b>PROVISIONS FOR LIABILITIES</b>	24		176,613		65,260
<b>NET ASSETS</b>			<u><u>22,143,600</u></u>		<u><u>15,479,370</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	25		11,545		11,545
Share premium	26		92,000		92,000
Retained earnings	26		22,040,055		15,375,825
<b>SHAREHOLDERS' FUNDS</b>			<u><u>22,143,600</u></u>		<u><u>15,479,370</u></u>
Company's profit for the financial year			<u><u>8,224,230</u></u>		<u><u>4,147,141</u></u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 30 June 2023 and were signed on its behalf by:



A Loven MBE - Director

The notes form part of these financial statements

Net World Sports Limited (Registered number: 06899671)

Consolidated Statement of Changes in Equity  
for the Year Ended 30 September 2022

	Called up share capital £	Retained earnings £	Revaluation reserve £
<b>Balance at 1 October 2020</b>	11,545	12,990,752	-
<b>Changes in equity</b>			
Dividends	-	(1,474,000)	-
Total comprehensive income	-	4,479,933	9,758,561
<b>Balance at 30 September 2021</b>	11,545	15,996,685	9,758,561
Prior year adjustment	-	54,052	-
As restated	11,545	16,050,737	9,758,561
<b>Changes in equity</b>			
Dividends	-	(1,560,000)	-
Total comprehensive income	-	8,409,187	5,232,963
<b>Balance at 30 September 2022</b>	11,545	22,899,924	14,991,524
	Merger reserve £	Cash flow hedge reserve £	Total equity £
<b>Balance at 1 October 2020</b>	102	249,240	13,251,639
<b>Changes in equity</b>			
Dividends	-	-	(1,474,000)
Total comprehensive income	-	(249,240)	13,989,254
<b>Balance at 30 September 2021</b>	102	-	25,766,893
Prior year adjustment	-	-	54,052
As restated	102	-	25,820,945
<b>Changes in equity</b>			
Dividends	-	-	(1,560,000)
Total comprehensive income	-	-	13,642,150
<b>Balance at 30 September 2022</b>	102	-	37,903,095

The notes form part of these financial statements

Net World Sports Limited (Registered number: 06899671)

Company Statement of Changes in Equity  
for the Year Ended 30 September 2022

	Called up share capital £	Retained earnings £	Share premium £	Cash flow hedge reserve £	Total equity £
<b>Balance at 1 October 2020</b>	11,545	12,453,444	92,000	249,240	12,806,229
<b>Changes in equity</b>					
Dividends	-	(1,474,000)	-	-	(1,474,000)
Total comprehensive income	-	4,396,381	-	(249,240)	4,147,141
<b>Balance at 30 September 2021</b>	<u>11,545</u>	<u>15,375,825</u>	<u>92,000</u>	<u>-</u>	<u>15,479,370</u>
<b>Changes in equity</b>					
Dividends	-	(1,560,000)	-	-	(1,560,000)
Total comprehensive income	-	8,224,230	-	-	8,224,230
<b>Balance at 30 September 2022</b>	<u>11,545</u>	<u>22,040,055</u>	<u>92,000</u>	<u>-</u>	<u>22,143,600</u>

The notes form part of these financial statements

Net World Sports Limited (Registered number: 06899671)

Consolidated Cash Flow Statement  
for the Year Ended 30 September 2022

		30.9.22	30.9.21 as restated
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	29,308,978	4,228,888
Interest paid		(23,030)	(96,630)
Finance costs paid		(4,069,044)	(2,080,127)
Tax paid		(805,786)	(1,711,284)
Net cash from operating activities		<u>24,411,118</u>	<u>340,847</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(17,782,809)	(2,300,980)
Sale of tangible fixed assets		55	-
Interest received		21,376	27,649
Net cash from investing activities		<u>(17,761,378)</u>	<u>(2,273,331)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(3,480,880)	(161,885)
Amount introduced by directors		370,441	671,453
Amount withdrawn by directors		(366,187)	(665,843)
Equity dividends paid		(1,560,000)	(1,474,000)
Net cash from financing activities		<u>(5,036,626)</u>	<u>(1,630,275)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>1,613,114</u>	<u>(3,562,759)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>1,243,702</u>	4,806,461
<b>Cash and cash equivalents at end of year</b>	2	<u><u>2,856,816</u></u>	<u><u>1,243,702</u></u>

The notes form part of these financial statements

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Cash Flow Statement  
for the Year Ended 30 September 2022

<b>1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS</b>		
	30.9.22	30.9.21
		as restated
	£	£
Profit before taxation	9,499,387	5,095,949
Depreciation charges	263,990	188,788
Loss on disposal of fixed assets	984	-
Finance costs	4,092,074	2,176,757
Finance income	(21,376)	(27,649)
	<hr/>	<hr/>
	13,835,059	7,433,845
Decrease/(increase) in stocks	488,650	(1,306,043)
Decrease/(increase) in trade and other debtors	6,048,563	(7,981,420)
Increase in trade and other creditors	8,936,706	6,082,506
	<hr/>	<hr/>
<b>Cash generated from operations</b>	<b>29,308,978</b>	<b>4,228,888</b>
	<hr/>	<hr/>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30 September 2022**

	30.9.22	1.10.21
	£	£
Cash and cash equivalents	2,856,816	1,249,225
Bank overdrafts	-	(5,523)
	<hr/>	<hr/>
	2,856,816	1,243,702
	<hr/>	<hr/>

**Year ended 30 September 2021**

	30.9.21	1.10.20
		as restated
	£	£
Cash and cash equivalents	1,249,225	4,806,461
Bank overdrafts	(5,523)	-
	<hr/>	<hr/>
	1,243,702	4,806,461
	<hr/>	<hr/>

The notes form part of these financial statements

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Cash Flow Statement  
for the Year Ended 30 September 2022

3. **ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

	At 1.10.21 £	Cash flow £	At 30.9.22 £
<b>Net cash</b>			
Cash at bank and in hand	1,249,225	1,607,591	2,856,816
Bank overdrafts	(5,523)	5,523	-
	<u>1,243,702</u>	<u>1,613,114</u>	<u>2,856,816</u>
<b>Debt</b>			
Debts falling due within 1 year	(1,685,643)	1,685,643	-
Debts falling due after 1 year	(1,795,236)	1,795,236	-
	<u>(3,480,879)</u>	<u>3,480,879</u>	<u>-</u>
<b>Total</b>	<u>(2,237,177)</u>	<u>5,093,993</u>	<u>2,856,816</u>

The notes form part of these financial statements

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements  
for the Year Ended 30 September 2022

1. **STATUTORY INFORMATION**

Net World Sports 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 General Information page.

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 as modified by the revaluation of certain assets.

These financial statements were prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value

The financial statements are disclosed in Sterling (£) which is the functional currency of the company.

**Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**Basis of consolidation**

As explained in the final note to the accounts, on 29th June 2017 Overlord Limited became a wholly owned subsidiary of Net World Sports Limited by virtue of a share for share exchange agreement. The group reconstruction was accounted for as a merger. The consolidated Income Statement includes results for both companies. A separate Income Statement is not included for the company. The company's profit for the year is shown at the foot of the company's balance sheet.

**Significant judgements and estimates**

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

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

The company maintains a level of stock to meet its expected demand. In valuing stock holdings at the year end management need to consider the recoverability of the stock and the level of provisions required. When calculating the provision management consider the level of historic activity of stock lines, the demand for the product and estimated future demand to determine the level of provision required.

In valuing properties which have not been fully completed at the year end, management review external valuation reports based on final completion values, making adjustments for estimated costs to completion.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

**2. ACCOUNTING POLICIES - continued**

**Changes in accounting policies - group**

In the group financial statements freehold property owned by subsidiary for use within the group was included in tangible fixed assets 'property plant and equipment' at cost less depreciation less impairment. Freehold property included development and construction costs for buildings under construction.

In the group financial statements for the current year freehold property owned by subsidiary for use within the group is included in tangible fixed assets 'property plant and equipment' using the revaluation model and is carried at a revalued amount, being fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value at the reporting date. Fair value is determined by the directors by reference to reports procured from independent qualified valuers who use current market prices for comparable property, adjusted for any differences in nature, location and condition.

The change in accounting policy provides more relevant group information following the change. The change in accounting policy has been applied retrospectively and comparatives for the year ended 30th September 2021 have been re-stated.

Revaluation gains are recognised in other comprehensive income net of deferred taxation (unless they reverse a previous decrease that was recognised in profit or loss) and accumulated in a separate component of equity, the revaluation reserve.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from the sales of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer. These criteria are considered to be met when the goods are delivered to the buyer.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2009, is being amortised evenly over its estimated useful life of twenty years.



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 20% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

**Fixed asset investments**

Equity investments are measured at fair value through profit and loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Stocks are valued on a first in first out (FIFO) basis.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

**Derivative financial instruments**

The Group enters into certain foreign exchange forward contracts to manage its exposure to currency movements. Such contracts are recognised at fair value with changes in fair value recognised in profit or loss each year. Fair value gains and losses are calculated as the difference between the contracted forward rate and the year end forward rate.

**Hedging instruments**

Net World Sports Limited (or the Company) uses a combination of FX options and forward contracts to hedge foreign exchange risk. All derivatives must be entered into with counterparties with a credit rating of A or higher.

**Hedging relationship**

Only the spot element of the forward contract is designated as the hedging instrument and therefore only the spot component is included in the hedge relationship (i.e. the forward points are excluded from the hedge relationship and recognised in other comprehensive income).

**Hedge documentation**

At the inception of a hedging relationship management should formally document the hedging relationship including:

- Risk management objective and strategy;
- Identification of the hedging instrument, the hedged item, the nature of the risk being hedged (spot exposure) and potential sources of ineffectiveness; and
- Description of how management will assess whether the hedging relationship meets the hedge effectiveness requirements, including:
  - (a) that there is an economic relationship between the hedged item and hedging instrument;
  - (b) credit risk does not dominate the value changes that result from the economic relationship; and
  - (c) the hedge ratio in the hedge relationship is the same as the quantity of the hedged item and of the hedging instrument that the entity actually uses for hedging purposes.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

**2. ACCOUNTING POLICIES - continued**

**Hedge effectiveness**

Net world Sports Limited shall assess on an ongoing basis, whether the hedging relationship meets the hedge effectiveness requirements. At a minimum, NWS will perform the ongoing assessment at each reporting date or upon a significant change in the circumstances affecting the hedge effectiveness requirements, whichever comes first. The assessment relates to expectations about hedge effectiveness and therefore is only forward-looking.

Consistent with the risk management policy and nature of risk exposure, hedge effectiveness requirements are demonstrated based on critical terms (amount, currency, maturity date). Under NWS's policy, management is therefore required to align the characteristics of the hedging instrument to those of the hedged item (nominal amount, currency and maturity).

For hedges of forecast transactions, the forward looking assessment should also confirm that the transaction is still highly probable. In the hedge documentation, management will demonstrate on the basis of a qualitative assessment of those critical terms that an economic relationship exists meaning that the hedging instrument and the hedged item have values that will generally move in opposite directions because of the same risk, which is the hedged risk.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, 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.

**Pension costs and other post-retirement benefits**

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

**Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	30.9.22	30.9.21 as restated
	£	£
United Kingdom	35,455,335	32,353,498
Europe	8,861,462	11,866,903
Rest of the World	20,240,441	17,159,298
	<u>64,557,238</u>	<u>61,379,699</u>

4. **EMPLOYEES AND DIRECTORS**

	30.9.22	30.9.21 as restated
	£	£
Wages and salaries	4,780,913	4,112,227
Social security costs	416,892	310,125
Other pension costs	99,816	67,847
	<u>5,297,621</u>	<u>4,490,199</u>

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

	30.9.22	30.9.21 as restated
Direct and administrative	<u>216</u>	<u>176</u>

	30.9.22	30.9.21 as restated
	£	£
Directors' remuneration	<u>28,500</u>	<u>28,500</u>

5. **OPERATING PROFIT**

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

	30.9.22	30.9.21 as restated
	£	£
Other operating leases	297,322	545,786
Depreciation - owned assets	262,490	187,288
Loss on disposal of fixed assets	984	-
Goodwill amortisation	1,500	1,500
Foreign exchange differences	<u>(2,847,827)</u>	<u>(3,107,939)</u>

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

6. **AUDITORS' REMUNERATION**

**Group**

	30.09.22	30.09.21
	£	£
Audit of the financial statements	28,441	28,000
Other non audit services	-	-
	<u>28,441</u>	<u>28,000</u>

Included in audit of the financial statements and other non audit services is the remuneration of Dains Audit Limited (2021: Barringtons Limited).

**Company**

	30.09.22	30.09.21
	£	£
Audit of the financial statements	24,771	23,800
Other non audit services	-	-
	<u>24,771</u>	<u>23,800</u>

Included in audit of the financial statements and other non audit services is the remuneration of Dains Audit Limited (2021: Barringtons Limited).

7. **INTEREST RECEIVABLE AND SIMILAR INCOME**

	30.9.22	30.9.21 as restated
	£	£
Deposit account interest	21,376	26,210
Other interest receivable	-	1,439
	<u>21,376</u>	<u>27,649</u>

8. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	30.9.22	30.9.21 as restated
	£	£
Bank loan interest	2,190	67,210
Interest payable	20,840	29,420
Fair value FX loss	4,069,044	2,080,127
	<u>4,092,074</u>	<u>2,176,757</u>

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

9. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	30.9.22	30.9.21 as restated
	£	£
Current tax:		
UK corporation tax	902,587	803,513
Adjustments in respect of prior periods	76,259	-
Total current tax	978,846	803,513
Deferred tax	111,354	7,691
Tax on profit	1,090,200	811,204

**Reconciliation of total tax 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:

	30.9.22	30.9.21 as restated
	£	£
Profit before tax	9,499,387	5,095,949
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	1,804,884	968,230
Effects of:		
Expenses not deductible for tax purposes	475	1,290
Capital allowances in excess of depreciation	(778,775)	(15,470)
R&D Enhanced expenditure	(123,996)	(150,537)
Deferred tax	111,353	7,691
Adjustment in respect of prior periods	76,259	-
Total tax charge	1,090,200	811,204

**Tax effects relating to effects of other comprehensive income**

	Gross	Tax	30.9.22 Net
	£	£	£
Revaluation of property	8,155,504	(2,922,541)	5,232,963

  

	Gross	Tax	30.9.21 Net
	£	£	£
Revaluation of property	11,847,462	(2,088,901)	9,758,561

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

9. **TAXATION - continued**

**Factors that may affect future tax charges**

The standard rate of corporation tax in the United Kingdom for the year was 19% (2021: 19%). An increase in the UK Corporation Tax rate was announced in the 2021 Budget which would increase the rate to 25% from 1 April 2023. Existing temporary differences on which the deferred tax has been provided may therefore unwind in future periods at this increased rate. The rate change has been included in the Finance Bill 2021 and was substantially enacted on 24 May 2021 and therefore deferred tax will be calculated using the 25% corporation tax rate.

10. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. **DIVIDENDS**

	30.9.22	30.9.21 as restated
	£	£
Ordinary A shares of 0.0009 each Final	160,000	154,000
Ordinary B shares of 0.0001 each Final	1,205,000	1,205,000
Ordinary shares of 0.0009 each Final	195,000	115,000
	<u>1,560,000</u>	<u>1,474,000</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

12. **PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been made in respect of the change in accounting policy relating to the group financial statements as detailed below:

In the group financial statements freehold property owned by subsidiary for use within the group was included in tangible fixed assets 'property plant and equipment' at cost less depreciation less impairment. Freehold property included development and construction costs for buildings under construction.

In the group financial statements for the current year freehold property owned by subsidiary for use within the group is included in tangible fixed assets 'property plant and equipment' using the revaluation model and is carried at a revalued amount, being fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value at the reporting date. Fair value is determined by the directors by reference to reports procured from independent qualified valuers who use current market prices for comparable property, adjusted for any differences in nature, location and condition.

The change in accounting policy provides more relevant group information following the change. The change in accounting policy has been applied retrospectively and comparatives for the year ended 30th September 2021 have been re-stated.

Revaluation gains are recognised in other comprehensive income net of deferred taxation (unless they reverse a previous decrease that was recognised in profit or loss) and accumulated in a separate component of equity, the revaluation reserve.

The prior year adjustment increased group profits for the year to 30th September 2021 by £54,052 but there was no effect on corporation tax for the year. Group other comprehensive income, net of deferred tax increased by £9,758,561.

On the group balance sheet the adjustment increased Tangible Fixed Assets by £11,901,514, increased Revaluation Reserve by £9,758,561, increased Provision for Deferred Tax by £2,088,901 and increased retained earnings by £54,052. 2021 comparatives have been re-stated where appropriate to reflect these adjustments.

13. **INTANGIBLE FIXED ASSETS**

Group	Goodwill £
<b>COST</b>	
At 1 October 2021	
and 30 September 2022	30,000
<b>AMORTISATION</b>	
At 1 October 2021	18,750
Amortisation for year	1,500
At 30 September 2022	20,250
<b>NET BOOK VALUE</b>	
At 30 September 2022	9,750
At 30 September 2021	11,250



Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

13. INTANGIBLE FIXED ASSETS - continued

Company

Goodwill  
£

**COST**

At 1 October 2021  
and 30 September 2022

30,000

**AMORTISATION**

At 1 October 2021  
Amortisation for year

18,750

1,500

At 30 September 2022

20,250

**NET BOOK VALUE**

At 30 September 2022

9,750

At 30 September 2021

11,250

14. TANGIBLE FIXED ASSETS

Group

Freehold property  
£

Improvements  
to property  
£

Plant and  
machinery  
£

**COST OR VALUATION**

At 1 October 2021

20,210,000

237,747

665,162

Additions

17,171,723

-

6,044

Disposals

-

(90)

(1,313)

Revaluations

8,155,504

-

-

At 30 September 2022

45,537,227

237,657

669,893

**DEPRECIATION**

At 1 October 2021

-

232,852

430,415

Charge for year

-

3,903

59,950

Eliminated on disposal

-

(36)

(328)

At 30 September 2022

-

236,719

490,037

**NET BOOK VALUE**

At 30 September 2022

45,537,227

938

179,856

At 30 September 2021

20,210,000

4,895

234,747

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

14. TANGIBLE FIXED ASSETS - continued

Group

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>				
At 1 October 2021	381,395	28,235	136,723	21,659,262
Additions	602,322	-	2,720	17,782,809
Disposals	-	-	-	(1,403)
Revaluations	-	-	-	8,155,504
At 30 September 2022	983,717	28,235	139,443	47,596,172
<b>DEPRECIATION</b>				
At 1 October 2021	243,453	10,381	103,007	1,020,108
Charge for year	185,065	4,464	9,108	262,490
Eliminated on disposal	-	-	-	(364)
At 30 September 2022	428,518	14,845	112,115	1,282,234
<b>NET BOOK VALUE</b>				
At 30 September 2022	555,199	13,390	27,328	46,313,938
At 30 September 2021	137,942	17,854	33,716	20,639,154

Freehold property is pledged as security against bank loans within a connected company.

Cost or valuation at 30 September 2022 is represented by:

	Freehold property £	Improvements to property £	Plant and machinery £
Valuation in 2022	20,002,966	-	-
Cost	25,534,261	237,657	669,893
	45,537,227	237,657	669,893

  

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2022	-	-	-	20,002,966
Cost	983,717	28,235	139,443	27,593,206
	983,717	28,235	139,443	47,596,172

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

14. **TANGIBLE FIXED ASSETS - continued**

**Group**

If Freehold Property had not been revalued it would have been included at the following historical cost:

	30.9.22	30.9.21 as restated
	£	£
Cost	25,534,260	8,605,770
Aggregate depreciation	713,490	297,284
Value of land in freehold land and buildings	4,723,948	4,556,747

Freehold properties were valued on an open market basis on 30 September 2022 by the directors.

**Company**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 October 2021	237,747	665,162	381,395
Additions	-	6,044	602,322
Disposals	(90)	(1,313)	-
At 30 September 2022	237,657	669,893	983,717
<b>DEPRECIATION</b>			
At 1 October 2021	232,852	430,415	243,453
Charge for year	3,903	59,950	185,065
Eliminated on disposal	(36)	(328)	-
At 30 September 2022	236,719	490,037	428,518
<b>NET BOOK VALUE</b>			
At 30 September 2022	938	179,856	555,199
At 30 September 2021	4,895	234,747	137,942

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

14. **TANGIBLE FIXED ASSETS - continued**

**Company**

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 October 2021	28,235	136,723	1,449,262
Additions	-	2,720	611,086
Disposals	-	-	(1,403)
At 30 September 2022	28,235	139,443	2,058,945
<b>DEPRECIATION</b>			
At 1 October 2021	10,381	103,007	1,020,108
Charge for year	4,464	9,108	262,490
Eliminated on disposal	-	-	(364)
At 30 September 2022	14,845	112,115	1,282,234
<b>NET BOOK VALUE</b>			
At 30 September 2022	13,390	27,328	776,711
At 30 September 2021	17,854	33,716	429,154

15. **FIXED ASSET INVESTMENTS**

**Group**

	Unlisted investments £
<b>COST</b>	
At 1 October 2021 and 30 September 2022	225,000
<b>NET BOOK VALUE</b>	
At 30 September 2022	225,000
At 30 September 2021	225,000

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

15. **FIXED ASSET INVESTMENTS - continued**

**Company**

	Shares in group undertakings £	Unlisted investments £	Totals £
<b>COST</b>			
At 1 October 2021 and 30 September 2022	92,000	225,000	317,000
<b>NET BOOK VALUE</b>			
At 30 September 2022	92,000	225,000	317,000
At 30 September 2021	92,000	225,000	317,000

**Subsidiaries, associates and other investments**

Details of the investment in which the parent company has an interest of 20% or more are as follows:

	Class of share	% of shares held
Subsidiary undertaking		
Overlord Limited	Ordinary	100%
Overlord Limited	Ordinary A	100%

Overlord Limited is a limited by shares company incorporated in England and Wales. The nature of business operations under review was that of property rental. The registered office address is Wrexham Industrial Estate, Wrexham, Clwyd, Wales, LL13 9UT.

16. **STOCKS**

	<b>Group</b>		<b>Company</b>	
	30.9.22	30.9.21 as restated	30.9.22	30.9.21 as restated
	£	£	£	£
Stocks	9,326,271	9,814,921	9,326,271	9,814,921

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

**17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	30.9.22	30.9.21 as restated	30.9.22	30.9.21 as restated
	£	£	£	£
Trade debtors	3,428,896	4,493,846	3,428,896	4,493,846
Amounts owed by subsidiary	-	-	15,370,547	4,843,831
Other debtors	2,641,952	6,626,123	2,641,850	6,626,021
Tax	10	-	-	-
VAT	406,846	603,062	146,251	586,619
Prepayments and accrued income	125,945	929,171	124,761	94,420
	<u>6,603,649</u>	<u>12,652,202</u>	<u>21,712,305</u>	<u>16,644,737</u>

Included in other debtors are balances of £1,992,134 (2021 £5,977,134) owed by a connected company. £1,992,134 (2021: £2,892,134) is unlikely to be repaid within 12 months.

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	30.9.22	30.9.21 as restated	30.9.22	30.9.21 as restated
	£	£	£	£
Bank loans and overdrafts (see note 20)	-	1,691,166	-	-
Trade creditors	9,234,837	8,939,878	6,275,986	8,768,380
Corporation tax	976,583	803,513	976,583	774,697
Social security and other taxes	101,889	90,610	101,889	90,610
Other creditors	6,939,997	871,923	1,148,643	871,808
Derivative liability	3,926,411	2,080,127	3,926,411	2,080,127
Directors' current accounts	13,628	9,374	13,628	9,374
Accrued expenses	1,050,929	334,819	223,136	325,809
	<u>22,244,274</u>	<u>14,821,410</u>	<u>12,666,276</u>	<u>12,920,805</u>

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	
	30.9.22	30.9.21 as restated
	£	£
Bank loans (see note 20)	<u>-</u>	<u>1,795,236</u>

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

20. **LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>	
	30.9.22	30.9.21
	£	as restated £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	5,523
Bank loans	-	1,685,643
	<u>-</u>	<u>1,691,166</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	448,065
	<u>-</u>	<u>448,065</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans due after 5 years	-	1,347,171
	<u>-</u>	<u>1,347,171</u>

21. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Non-cancellable operating leases</b>	
	30.9.22	30.9.21
	£	as restated £
Within one year	254,800	326,300
Between one and five years	-	156,000
	<u>254,800</u>	<u>482,300</u>

**Company**

	<b>Non-cancellable operating leases</b>	
	30.9.22	30.9.21
	£	as restated £
Within one year	400,800	676,700
Between one and five years	-	156,000
	<u>400,800</u>	<u>832,700</u>

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

22. **SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>	
	30.9.22	30.9.21 as restated
	£	£
Bank loans	-	3,480,879

Bank loans owed by a connected company are secured over the freehold property of Overlord Limited. Bank loans analysed above were repaid within one year of 30 September 2021. The loans are guaranteed by parent company, Net World Sports Limited.



Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

23. **FINANCIAL INSTRUMENTS**

	30.09.22 £	30.09.21 £
<b>Group</b>		
<b>Financial assets</b>		
Financial assets measured at amortised cost	8,914,046	12,354,297
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	17,225,762	13,627,499
Derivative financial instruments	3,926,411	2,080,127
<b>Company</b>		
	30.09.22 £	30.09.21 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	24,272,117	17,202,696
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	7,637,766	9,965,996
Derivative financial instruments	4,069,044	2,080,127
<b>Hedging instruments</b>		
Change in fair value of hedging instrument recognised in other comprehensive income during the period	0	249,240
Amount reclassified from equity to profit & loss for the period	0	0
Amount of any hedge ineffectiveness recognised in profit & loss for the period	4,069,044	2,080,127

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

Financial liabilities measured at amortised cost comprise convertible loan stock, bank loans and overdrafts, trade creditors, other creditors and accruals.

Derivative financial instruments relate to forward foreign exchange contracts recognised at fair value through profit or loss and the fair value of hedging instruments deemed to be ineffective.

The fair value of hedging instruments deemed to be effective are taken to other comprehensive income in the first instance. Such items are reviewed and any losses not expected to be recovered are transferred to profit & loss. The fair value of hedging instruments deemed to be ineffective are taken directly to profit & loss.

24. **PROVISIONS FOR LIABILITIES**

	<b>Group</b>		<b>Company</b>	
	30.9.22	30.9.21 as restated	30.9.22	30.9.21 as restated
	£	£	£	£
Deferred tax	5,188,055	2,154,161	176,613	65,260

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

24. **PROVISIONS FOR LIABILITIES - continued**

**Group**

	Deferred tax £
Balance at 1 October 2021	
As previously reported	65,260
Prior year adjustment	2,088,901
	<hr/>
As restated	2,154,161
Provided during year	3,033,894
	<hr/>
Balance at 30 September 2022	5,188,055
	<hr/> <hr/>

**Company**

	Deferred tax £
Balance at 1 October 2021	65,260
Provided during year	111,353
	<hr/>
Balance at 30 September 2022	176,613
	<hr/> <hr/>

The whole of the company deferred tax provision relates to accelerated capital allowances.  
Group deferred tax provision includes a provision of £5,011,442 relating to revaluation of property.

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

25. **CALLED UP SHARE CAPITAL**

Number	Class	Nominal value	30.09.22 £	30.09.21 £
<b>Allotted called up and fully paid:</b>				
2,002	Ordinary A	0.0009	16	16
102,000	Ordinary B	0.0001	89	89
100,100	Ordinary	0.0009	790	790
<b>Allotted and paid:</b>				
1,065,000	E	1.000	10,650	10,650
			<u>11,545</u>	<u>11,545</u>

The rights, preferences and restrictions of each class of shares in issue is detailed below;

Class of share - Ordinary

Each ordinary share

- a) Carries the right to vote;
- b) Carries the right to receive dividends;
- c) Entitles the holder to participate in a return of capital (including on winding up) in accordance with the Articles of Association of the company; and
- d) Cannot be redeemed.

Class of share - A Ordinary

Each ordinary share

- a) Carries the right to vote;
- b) Carries the right to receive dividends;
- c) Entitles the holder to participate in a return of capital (including on winding up) in accordance with the Articles of Association of the company; and
- d) Cannot be redeemed.

Class of share - B Ordinary

Each ordinary share

- a) Will have no rights to vote;
- a Carries the right to receive dividends;
- c) Will benefit from a total of £20,000 on a return of capital (including on winding up) in accordance with the Articles of Association of the company; and
- d) Cannot be redeemed.

Class of share - E Shares

Each ordinary share

- a) Does not carry the right to vote;
- b) Carries the right to receive dividends;
- c) Entitles the holder to participate in a return of capital (including on winding up) in accordance with the Articles of Association of the company; and
- d) Cannot be redeemed.

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

26. **RESERVES**

**Group**

	Retained earnings £	Revaluation reserve £	Merger reserve £	Totals £
At 1 October 2021	15,996,685	9,758,561	102	25,755,348
Prior year adjustment	54,052			54,052
	16,050,737			25,809,400
Profit for the year	8,409,187			8,409,187
Dividends	(1,560,000)			(1,560,000)
Other comprehensive income	-	5,232,963	-	5,232,963
At 30 September 2022	22,899,924	14,991,524	102	37,891,550

**Company**

	Retained earnings £	Share premium £	Totals £
At 1 October 2021	15,375,825	92,000	15,467,825
Profit for the year	8,224,230		8,224,230
Dividends	(1,560,000)		(1,560,000)
At 30 September 2022	22,040,055	92,000	22,132,055

27. **CAPITAL COMMITMENTS**

	30.9.22 £	30.9.21 as restated £
Contracted but not provided for in the financial statements	2,262,773	19,434,496

28. **RELATED PARTY DISCLOSURES**

During the year total dividends of £1,560,000 (2021 - £1,474,000) were paid to the directors.

**Entities over which the entity has control, joint control or significant influence**

	30.9.22 £	30.9.21 as restated £
Amount due from related party	1,992,134	5,977,134

Net World Sports Limited (Registered number: 06899671)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

28. **RELATED PARTY DISCLOSURES - continued**

**Key management personnel of the entity or its parent (in the aggregate)**

Key management personnel are considered to be directors and their remuneration is disclosed in note 4.

	£
<b>Loans from key management personnel :</b>	
Loans from directors at the start of the year	-9,374
Advances to the directors during the year	366,187
Total repaid during the year	-370,441
Loans from directors at the end of the year	-13,628

Loans and advances to directors are repayable on demand.

29. **ULTIMATE CONTROLLING PARTY**

The controlling party is A Loven MBE.

30. **GROUP RECONSTRUCTION**

On 29 June 2017, Overlord Limited became 100% subsidiary of Net World Sports Limited by virtue of a share for share exchange agreement.

The group reconstruction has been accounted for as a merger. Overlord Limited owns the property from which Net World Sports Limited trades from.

31. **COMMITMENTS UNDER OPERATING LEASES**

At 30 September 2022 the company had future minimum lease payments receivable under non-cancellable operating leases for each of the following periods:

	2022	2021
	£	£
Not later than 1 year	674,460	-
Later than 1 year and not later than 5 years	2,529,225	-
	<u>3,203,685</u>	<u>-</u>