

**Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 31 January 2022
for
80's Casual Classics Ltd**

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for the Year Ended 31 January 2022**

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**Company Information
for the Year Ended 31 January 2022**

DIRECTORS:

N J Greenhalgh
N Primett
R Schultz

SECRETARIES:

Ms N Cassidy
Oakwood Corporate Secretary Limited

REGISTERED OFFICE:

Hollinsbrook Way
Pilsworth
Bury
Lancashire
BL9 8RR

REGISTERED NUMBER:

06922118 (England and Wales)

AUDITORS:

Hyde & Lewis
45 Shortmead Street
Biggleswade
Bedfordshire
SG18 0AT

**Strategic Report
for the Year Ended 31 January 2022**

The directors present their strategic report for the year ended 31 January 2022.

REVIEW OF BUSINESS

As shown in the company's profit and loss account, there has been an increase in turnover over the prior 7 month period which has resulted in a gross profit of £6,719,434 (2021 - £3,771,763) and a profit on ordinary activities before tax of £4,094,037 (2021 - £2,338,484).

This year has seen the company maintaining its customer base which grew over the pandemic with the move to online shopping. This along with increased engagement through social media will ensure the continued profitability of the business through tougher trading conditions in respect of the potential economic downturn.

PRINCIPAL RISKS AND UNCERTAINTIES

Any business undertaking will involve some risk with many factors common to any business regardless of what sector it operates in. However, the Directors consider that certain risks and uncertainties are more specific to the Company and the fashion retail sector in which it operates. These risks and uncertainties include the following:

- Ability to access, and the dependance on, key brands;
- The location and influence of competitors both in physical retail and online digital platforms;
- Delays in product delivery due to supplier sourcing and delivery issues;
- General economic factors; and
- Seasonal weather variations.

The Directors continue to endeavour to manage these risks and uncertainties to the extent possible within the business.

ON BEHALF OF THE BOARD:

N Primett - Director

31 January 2023

**Report of the Directors
for the Year Ended 31 January 2022**

The directors present their report with the financial statements of the company for the year ended 31 January 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of online retailer of retro and original clothing.

DIVIDENDS

No dividends will be distributed for the year ended 31 January 2022.

FUTURE DEVELOPMENTS

The Company's focus this year will be on expanding their on-line business into Europe along with higher profile marketing and building stronger relationships with suppliers.

DIRECTORS

N Primett has held office during the whole of the period from 1 February 2021 to the date of this report.

Other changes in directors holding office are as follows:

P A Cowgill - appointed 2 March 2021

N J Greenhalgh - appointed 2 March 2021

K Bailey resigned 2 March 2021

R Schultz was appointed as a director after 31 January 2022 but prior to the date of this report.

P A Cowgill ceased to be a director after 31 January 2022 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Hyde & Lewis, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

N Primett - Director

31 January 2023

Report of the Independent Auditors to the Members of 80's Casual Classics Ltd

Opinion

We have audited the financial statements of 80's Casual Classics Ltd (the 'company') for the year ended 31 January 2022 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

**Report of the Independent Auditors to the Members of
80's Casual Classics Ltd**

Responsibilities of directors

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

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

**Report of the Independent Auditors to the Members of
80's Casual Classics Ltd**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows;

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are directly relevant to specific assertions in the financial statements and are those that relate to the reporting framework namely, FRS 102 and Companies Act 2006.
- During the period ended 31 January 2022 the company also needed to ensure compliance with the UK government provisions in relation to Covid-19 support schemes in particular the Coronavirus Job Retention Scheme. The company is also governed in general law for data protection, employment law, for example.
- We understood how the company are complying with the above frameworks by making enquiries of management and corroborated our discussions through a review of supporting paperwork.
- We assessed the susceptibility of the financial statements to material misstatement in particular how fraud may occur by meeting with management and those charged with governance to understand where they felt there was risk of fraud. Where the risk was considered to be higher we performed audit procedures to address each potential risk. Our audit procedures included a review of non-routine items including journal entries so as to gain reasonable assurance that the financial statements were free from material fraud and error.
- We considered the risk of fraud through management override and in response reviewed non-routine entries as part of our audit work. Items not readily verified were discussed with management and those charged with governance for a full explanation.
- Based on our understanding of the company systems and structure we designed our audit procedures to identify non-compliance with the framework in place through inspection of records and correspondence from third parties.
- We enquired into the internal control measures in place to prevent and detect fraud or other irregularities.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
80's Casual Classics Ltd**

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.

Elaine Marie Lewis FCCA (Senior Statutory Auditor)
for and on behalf of Hyde & Lewis
45 Shortmead Street
Biggleswade
Bedfordshire
SG18 0AT

31 January 2023

**Income Statement
for the Year Ended 31 January 2022**

		Year Ended 31.1.22		Period 1.7.20 to 31.1.21	
	Notes	£	£	£	£
TURNOVER	3		13,676,567		7,719,595
Cost of sales			<u>6,957,133</u>		<u>3,947,832</u>
GROSS PROFIT			6,719,434		3,771,763
Distribution costs		1,315,168		871,648	
Administrative expenses		<u>2,186,937</u>		<u>1,128,626</u>	
			3,502,105		2,000,274
			3,217,329		1,771,489
Other operating income	4		<u>879,308</u>		<u>564,785</u>
OPERATING PROFIT	6		4,096,637		2,336,274
Interest receivable and similar income	7		<u>479</u>		<u>2,210</u>
			4,097,116		2,338,484
Interest payable and similar expenses	8		<u>3,079</u>		<u>-</u>
PROFIT BEFORE TAXATION			4,094,037		2,338,484
Tax on profit	9		<u>782,789</u>		<u>436,712</u>
PROFIT FOR THE FINANCIAL YEAR			<u><u>3,311,248</u></u>		<u><u>1,901,772</u></u>

The notes form part of these financial statements

**Other Comprehensive Income
for the Year Ended 31 January 2022**

	Notes	Year Ended 31.1.22 £	Period 1.7.20 to 31.1.21 £
PROFIT FOR THE YEAR		3,311,248	1,901,772
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,311,248</u>	<u>1,901,772</u>

The notes form part of these financial statements

Statement of Financial Position
31 January 2022

	Notes	31.1.22 £	£	31.1.21 £	£
FIXED ASSETS					
Tangible assets	11		167,543		44,606
Investments	12		<u>1</u>		<u>1</u>
			167,544		44,607
CURRENT ASSETS					
Stocks	13	2,178,502		1,398,881	
Debtors	14	187,151		44,761	
Cash at bank and in hand		<u>10,284,299</u>		<u>8,332,565</u>	
		12,649,952		9,776,207	
CREDITORS					
Amounts falling due within one year	15	<u>1,119,338</u>		<u>1,531,842</u>	
NET CURRENT ASSETS			<u>11,530,614</u>		<u>8,244,365</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			11,698,158		8,288,972
PROVISIONS FOR LIABILITIES	17		<u>106,413</u>		<u>8,475</u>
NET ASSETS			<u>11,591,745</u>		<u>8,280,497</u>
CAPITAL AND RESERVES					
Called up share capital	18		22		22
Retained earnings			<u>11,591,723</u>		<u>8,280,475</u>
SHAREHOLDERS' FUNDS			<u>11,591,745</u>		<u>8,280,497</u>

The financial statements were approved by the Board of Directors and authorised for issue on 31 January 2023 and were signed on its behalf by:

N Primett - Director

**Statement of Changes in Equity
for the Year Ended 31 January 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2020	22	6,478,703	6,478,725
Changes in equity			
Dividends	-	(100,000)	(100,000)
Total comprehensive income	-	<u>1,901,772</u>	<u>1,901,772</u>
Balance at 31 January 2021	<u>22</u>	<u>8,280,475</u>	<u>8,280,497</u>
Changes in equity			
Total comprehensive income	-	<u>3,311,248</u>	<u>3,311,248</u>
Balance at 31 January 2022	<u>22</u>	<u>11,591,723</u>	<u>11,591,745</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 January 2022**

1. STATUTORY INFORMATION

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

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There were no material departures from that standard.

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit and loss.

Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of disclosures in respect of the compensation of Key Management Personnel;
- the requirements of disclosures in respect of financial instruments.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Turnover

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership for the goods have passed to the buyer (usually on dispatch of goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity, and the costs incurred, or to be incurred in respect of the transactions can be measured reliably.

Tangible fixed assets

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

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Capitalised dilapidations - straight line over the life of the lease

Plant & machinery - 20% reducing balance

Fixtures & fittings - 20% reducing balance

Computer equipment - 25% reducing balance

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2022**

2. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model.

Investments in subsidiaries

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associated accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

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.

Pension costs and other post-retirement benefits

Contributions to defined contribution plans are recognised as an expense in the period to which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Notes to the Financial Statements - continued
for the Year Ended 31 January 2022

2. ACCOUNTING POLICIES - continued**Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost less impairment losses. A provision for the impairment of trade and other debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade and other debtors are impaired. The movement in the provision is recognised in the profit and loss account.

Trade and other creditors

Trade and other creditors are non-interest bearing and recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

3. TURNOVER

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

An analysis of turnover by geographical market is given below:

	Year Ended 31.1.22 £	Period 1.7.20 to 31.1.21 £
United Kingdom	12,523,523	6,147,097
Europe	736,910	768,791
Other	416,134	803,707
	<u>13,676,567</u>	<u>7,719,595</u>

4. OTHER OPERATING INCOME

	Year Ended 31.1.22 £	Period 1.7.20 to 31.1.21 £
Postage	856,509	520,973
Government grant income	22,799	43,812
	<u>879,308</u>	<u>564,785</u>

5. EMPLOYEES AND DIRECTORS

	Year Ended 31.1.22 £	Period 1.7.20 to 31.1.21 £
Wages and salaries	969,760	480,555
Social security costs	72,851	33,373
Other pension costs	46,623	5,945
	<u>1,089,234</u>	<u>519,873</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2022**

5. EMPLOYEES AND DIRECTORS - continued

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

	Year Ended 31.1.22	Period 1.7.20 to 31.1.21
Warehouse staff	19	27
Office staff	9	14
Management staff	8	6
Store staff	4	-
	<u>40</u>	<u>47</u>

During the year, £36,712 was paid to the director's pension scheme.

	Year Ended 31.1.22 £	Period 1.7.20 to 31.1.21 £
Directors' remuneration	<u>120,042</u>	<u>13,415</u>

Messrs Cowgill and Greenhalgh received no remuneration from the Company, these fees being borne by the Parent Company. The amounts disclosed above relate to the highest paid director.

6. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 31.1.22 £	Period 1.7.20 to 31.1.21 £
Hire of plant and machinery	-	488
Other operating leases	126,233	66,661
Depreciation - owned assets	34,504	11,738
Auditors' remuneration	<u>6,600</u>	<u>4,000</u>

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31.1.22 £	Period 1.7.20 to 31.1.21 £
Deposit account interest	<u>479</u>	<u>2,210</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2022

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 31.1.22	Period 1.7.20 to 31.1.21
	£	£
HMRC late payment interest	46	-
Penalties	150	-
Corporation tax interest	2,883	-
	<u>3,079</u>	<u>-</u>

9. TAXATION**Analysis of the tax charge**

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

	Year Ended 31.1.22	Period 1.7.20 to 31.1.21
	£	£
Current tax:		
UK corporation tax	769,851	433,218
Deferred tax	12,938	3,494
Tax on profit	<u>782,789</u>	<u>436,712</u>

UK corporation tax has been charged at 19% .

Reconciliation of total tax charge included in profit and loss

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

	Year Ended 31.1.22	Period 1.7.20 to 31.1.21
	£	£
Profit before tax	<u>4,094,037</u>	<u>2,338,484</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	777,867	444,312
Effects of:		
Expenses not deductible for tax purposes	1,200	(7,600)
Depreciation in excess of capital allowances	3,722	-
Total tax charge	<u>782,789</u>	<u>436,712</u>

10. DIVIDENDS

	Year Ended 31.1.22	Period 1.7.20 to 31.1.21
	£	£
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>100,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2022

11. TANGIBLE FIXED ASSETS

	Capitalised dilapidation's £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 February 2021	-	5,172	72,910	30,094	108,176
Additions	85,000	10,037	56,049	6,355	157,441
Disposals	-	(3,968)	(964)	(5,340)	(10,272)
At 31 January 2022	<u>85,000</u>	<u>11,241</u>	<u>127,995</u>	<u>31,109</u>	<u>255,345</u>
DEPRECIATION					
At 1 February 2021	-	4,556	35,951	23,063	63,570
Charge for year	19,587	1,786	10,960	2,171	34,504
Eliminated on disposal	-	(3,968)	(964)	(5,340)	(10,272)
At 31 January 2022	<u>19,587</u>	<u>2,374</u>	<u>45,947</u>	<u>19,894</u>	<u>87,802</u>
NET BOOK VALUE					
At 31 January 2022	<u>65,413</u>	<u>8,867</u>	<u>82,048</u>	<u>11,215</u>	<u>167,543</u>
At 31 January 2021	<u>-</u>	<u>616</u>	<u>36,959</u>	<u>7,031</u>	<u>44,606</u>

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 February 2021 and 31 January 2022	<u>1</u>
NET BOOK VALUE	
At 31 January 2022	<u>1</u>
At 31 January 2021	<u>1</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Modern Casuals Ltd

Registered office: Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR

Nature of business: Dormant company

Class of shares:	% holding		
Ordinary	100.00	31.1.22 £	31.1.21 £
Aggregate capital and reserves		<u>1</u>	<u>1</u>
13. STOCKS		31.1.22 £	31.1.21 £
Stocks		<u>2,178,502</u>	<u>1,398,881</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2022

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.22	31.1.21
	£	£
Trade debtors	165,009	38,268
Other debtors	13,056	6,493
Prepayments	9,086	-
	<u>187,151</u>	<u>44,761</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.22	31.1.21
	£	£
Trade creditors	369,389	392,261
Tax	145,690	735,953
Social security and other taxes	22,676	14,528
VAT	472,534	352,456
Other creditors	31,989	14,845
Pension liability	2,866	2,064
Accrued expenses	74,194	19,735
	<u>1,119,338</u>	<u>1,531,842</u>

16. LEASING AGREEMENTS

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

	31.1.22	31.1.21
	£	£
Within one year	122,567	15,366
Between one and five years	267,400	177,500
	<u>389,967</u>	<u>192,866</u>

17. PROVISIONS FOR LIABILITIES

	31.1.22	31.1.21
	£	£
Deferred tax	21,413	8,475
Lease Dilapidation's	85,000	-
	<u>106,413</u>	<u>8,475</u>

	Deferred tax
	£
Balance at 1 February 2021	8,475
Provided during year	12,938
Balance at 31 January 2022	<u>21,413</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2022

18. CALLED UP SHARE CAPITAL

	31.1.22	£	31.1.21	£
	No.		No.	
Ordinary shares of £1 each	-	-	10	10
"A" Ordinary shares of 1p each	1,540	15.40	10	10
"B" Ordinary shares of 1p each	660	6.60	2	2
	<u>2,200</u>	<u>22</u>	<u>22</u>	<u>22</u>

During the year, the company redesignated the "A" and "B" shares from £1 to 1p.

The A ordinary shares have attached to them full voting rights. The holders of the A ordinary shares shall be entitled, in priority to any payment by way of dividend to the holders of any other class of share, to receive preferred dividends in an aggregate amount equal to the surplus net cash (preference dividend). Save for the preference dividend, any dividends declared shall be paid *pari passu* on the A ordinary shares and the B ordinary shares as if they were the same class. On a return of capital (including on winding up) the assets of the company available for distribution to its members shall be distributed: (a) first in paying to the A ordinary share an amount equal to the surplus net cash, to the extent not previously distributed by way of dividends, (b) second in paying to each member, an amount equal to the issue price of each share held; and (c) thereafter in distributing any surplus assets amongst the A ordinary shares and the B ordinary shares as if they constituted one class and *pro rata* to the number of shares held. The A ordinary shares do not confer any rights of redemption.

The B ordinary shares have attached to them full voting rights. Save for the preference dividend (which shall only be paid on the A ordinary shares), any dividend declared shall be paid *pari passu* on the A ordinary shares and the B ordinary shares as if they were the same class. On a return of capital (including on winding up), the assets of the company available for distribution to its members shall be distributed: (a) first in paying to the A ordinary share an amount equal to the surplus net cash, to the extent not previously distributed by way of dividend; (b) second in paying to each member, an amount equal to the issue price of each share held; and (c) thereafter in distributing any surplus assets amongst the A ordinary shares and the B ordinary shares as if they constituted one class and *pro rata* to the number of shares held. The B ordinary shares do not confer any rights of redemption.

19. ULTIMATE PARENT COMPANY

The Company is a 70% owned subsidiary undertaking of JD Sports Fashion Plc, which is the smallest group in which the Company is a member and for which Group Financial Statements are drawn up. JD Sports Fashion Plc is registered in England. Copies of the consolidated financial statements of JD Sports Fashion Plc are available to the public and can be obtained from the Company Secretary, Edinburgh House, Hollinsbrook Way, Pilsworth, Bury, BL9 8RR or at www.jdplc.com.

20. CONTINGENT LIABILITIES

It is inevitable that commercial claims and disputes may arise from time to time during the course of the Company's business. If the risk of a financial outflow arising from one of these disputes is more than remote but not probable or cannot be measured reliably then the Company will disclose this matter as a contingent liability. If the risk of a financial outflow is considered probable and can be measured reliably then the Company would make provision for this matter.

Further, the activities of the Company are overseen by a number of regulators and, whilst the Company strives to ensure full compliance with all its regulatory obligations, periodic reviews are inevitable which may result in a financial penalty. If the risk of a financial penalty arising from one of these reviews is more than remote but not probable or cannot be measured reliably then the Company will disclose this matter as a contingent liability. If the risk of a financial penalty is considered probable and can be measured reliably then the Company would make a provision for this matter.

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2022**

21. RELATED PARTY DISCLOSURES

On 2 March 2021, JD Sports Fashion PLC acquired 70% of the share capital of the Company.

Since 2 March 2021, the company made purchases of £555,216 from Focus International Ltd, another group company. The balance receivable at the year end was £32,167 (balance payable at 2 March 2021 was £59,439). These balances are unsecured and have credit terms of 30 days.

Since 2 March 2021, the company made purchases of £120,538 from PG2019 Limited, another group company. The balance payable at the year end was £12,953 (balance payable at 2 March 2021 was £Nil). These balances are unsecured.

Pentland Group Holdings Limited owns 51.9% of the ordinary share capital of JD Sports Fashion plc

Since 2 March 2021 the company made purchases of £157,544 from companies owned by Pentland Group Holdings Limited. The balance payable to these entities at the year end was £NIL (balance payable at 2 March 2021 was £8,117). These balances are unsecured and on normal market credit terms.

22. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is Pentland Group Holdings Limited (a company registered in Jersey). R S Rubin and his close family are considered the ultimate controlling party by virtue of their control of Pentland Group Holdings Limited. Consolidated financial statements will be prepared by Pentland Group Holdings Limited, which is the parent undertaking of the largest group of undertakings to consolidate these financial statements for the year ended 31 December 2021. The consolidated financial statements of Pentland Group Holdings Limited can be obtained from the company's registered office at 26 New Street, St Helier, Jersey, JE2 3RA.

23. CHANGE OF FINANCIAL YEAR END

The financial year end of the company was changed from 30 June 2021 to 31 January 2021, to amalgamate all group company year ends.

Accordingly, the comparative figures for the income statements, statement of changes of equity and the related notes are for a period of seven months from 1st July 2020 to 31st January 2021.

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