White Stuff Group Limited

Annual report and financial statements

Registered number 07186923

For the period ended 30 April 2022

Contents

Strategic Report

The directors present their report together with the audited consolidated financial statements for the period ended 30 April 2022.

Principal activities, financial highlights, review of the business and future developments

Principal activities
The principal activity of the Group is the design and sale of women's, men's and children's clothes, shoes and accessories through retail stores, concessions and online in the UK and Germany, and wholesale channels in the UK and internationally.

Financial Highlights and Performance Review for the year
Total sales for the 52 week financial period ending 30 April 2022 increased by £39.4m or 41.8% to £133.6m from £94.2m. The sales increase reflects the strong recovery of our retail shops and concessions together with our wholesale division post the pandemic. Despite a switch of customers back to shops, we have also been able to continue to grow our online business and extend our reach through our partnerships with Marks and Spencer, John Lewis and Partners and Next plc.

Total retail sales finished the period up £35.2m or 128.4% on the last period to £62.6m. This is principally as a result of the re-opening of stores post lockdown but also a strong performance in March and April that has continued into the new year. Through the course of the period, we opened 1 new UK shop, 10 new M&S concessions and closed 2 UK shops. We concluded the period with a total of 125 stores and 55 concessions.

Total Online sales continued to grow, up £0.2m or 0.4% on the last period to £61.3m. Whilst there was a switch back to stores for our own solus sites, this was offset by significant growth online with our 3rd party partners. We continue to invest in digital marketing to acquire new customers, as well as leveraging our store estate to grow our multi-channel customer base. Web sales represented 45.9% of the total sales compared with 64.9% last period.

Wholesale sales finished the period up £4.0m or 69.4% on last period to £9.7m. This represents a solid recovery coming out of the pandemic across the UK and Internationally. We continue to work hard to support our customers and continue to invest and build our wholesale business, particularly internationally. International sales are mainly from France, Belgium, Germany and Canada.

Total international sales increased by 24.0% and represent 8.3% of total sales compared to 9.5% last period. This growth is driven by the recovery of store and concession sales in Germany and Belgium together with growing Wholesale order books post pandemic.

Gross profit at £80.9m was 54.1% up on last period. Gross profit percentage at 60.5% was 4.8 percentage points higher than the previous period. During the year we successfully increased our mix of full price sales and significantly reduced levels of mark down and promotion.

Total administrative costs after exceptional items were £79.4m compared to £69.0m last period. Exceptional items was a credit in the current period of £(0.4)m and included intangible asset impairments of £0.2m and restructuring redundancy costs of £0.1m offset by an onerous lease provision release of £(0.7)m . This compares to a £2.2m exceptional cost in the last period which included intangible asset impairment of £0.4m, restructuring redundancy costs of £2.0m and an onerous lease provision release of £(0.2)m. Total administration costs before exceptional items were £79.8m compared to £66.7m last period. This increase of £(13.1)m includes:

- Increased payroll costs of £(2.3)m reflecting the underlying annual pay review increase and 2022 bonus payment.
- Increased Business rates costs v last year's business rate relief, and increased service charge and insurance costs of £(1.9)m
- Increase in direct variable costs as a result of the increased sales levels of £(5.9)m
- Increase in other operational costs of £(3.0)m, reflecting a more normalised level of activity post pandemic.

Other operating income was £3.0m compared to £6.2m last period. The current year includes £0.1m relating to financial years 2020 and 2021 R&D tax credit, £0.1m relating to the UK Coronavirus Job Retention Scheme and German Kurzarbeit Short Time Work Benefit Scheme, £1.9m relating to Small Business Rates Relief grants and £0.9m relating to German Bridge Aid. This compares to the prior year £5.4m relating to the UK Coronavirus Job Retention Scheme and German Kurzarbeit Short Time Work Benefit Scheme, and £0.8m relating to Small Business Rates Relief grants.

The adjusted EBITDA profit [1] is £8.6m, before crediting the £(0.4)m of exceptional costs included in total administrative costs; compared to an adjusted EBITDA loss of £(3.4)m before charging £2.2m of exceptional costs last period.

The Group profit after tax for the period was £7.4m (2021: loss after tax £(10.9)m). This profit after tax is after charging foreign exchange gain on derivatives of £4.2m (2021: loss on derivatives of £(2.6)m).

(1) Adjusted EBITDA being operating profit/(loss) before interest, tax, depreciation, amortisation of loan costs, impairment, onerous lease provision, loss on disposal of fixed assets, share based payment charges, FRS102 foreign exchange derivative revaluations and non-recurring costs (refer to page 7).

Strategic Report *(continued)*

No dividends were paid by the Group to the shareholders (2021: £nil).

Navigating the uncertain economic environment

We faced into the challenges of the pandemic early on and took decisive action to reduce our cost base and protect our cash position which allowed us to continue to transform the business over the last year. Whilst we have bounced back strongly post pandemic, we face different economic challenges today which directly impact our cost base as well as a general reduction in consumer confidence. In response, we have taken appropriate action to safeguard our growth plans while acknowledging the level of uncertainty that prevails.

We continue to manage our cost base tightly and have identified operational efficiencies across the business to drive channel profitability. Our energy contracts are fixed on a 2 year contract to October 2023 and we are reducing consumption wherever possible. In other areas, we are reducing transport and handling costs through more efficient management of stock and we continue to work with landlords to build flexibility into the tenure of our store estate and reduce our operating costs. We are working hard to both retain and attract talent in the business through stronger engagement and ensuring rewards are reflective of the market.

We continually review our sourcing strategy to improve quality, drive sustainability and mitigate externally driven cost increases. Our foreign exchange currency requirements are already hedged over the next 12 months. For Autumn/Winter 2023, we have covered around 60% of our requirement albeit at lower rates than Spring/Summer 2023. Now the logistics market has settled and costs are starting to come down, we are reducing stock covers and lead times and working closely with our supplier relationships to ensure agility and flexibility when needed.

We have benefited from a shift in consumers returning back to stores and we have seen improved performances in stores where we have invested in rebranding and an improved shop environment. We have maintained strong relationships with our partners Marks & Spencer, John Lewis and Partners and Next plc which has enabled us to improve growth and broaden brand awareness.

We have been able to use promotion more selectively, improve average selling price and increase volumes on core product lines to drive more profitable sales.

We will continue to drive growth through investing in our product and our brand whilst building flexibility into our plans and reducing our underlying cost base.

The White Stuff Brand and Business Transformation

We have successfully rolled out our new brand logo and look and feel across more than half our store estate to date and we continue to reinforce our brand proposition in all our communication with our new tone of voice and creative direction across our website and across social media. We are focused on broadening our reach and increasing brand awareness and consideration through targeted PR and investment in marketing which has increased over recent months. This increased coverage together with our third party relationships has enabled us to significantly increase our access to new customers.

New customer growth is on track with our plan and is built around a core customer of the independently minded woman and man driving higher lifetime value. It is also encouraging to see an increase in reactivated customers driven by a positive reaction to new product launches.

We are successfully differentiating our product from our competitors through innovative design, an investment in quality and a transparent commitment to continually improving our green credentials.

In our stores, we will continue to refine the shape of our shop portfolio to ensure this is aligned with our overall goal of providing a seamless multi-channel experience for our customers and to showcase the brand. Strategically, we are committed to ensuring appropriate geographical coverage across the UK and ensuring all stores are profitable.

On our own website, we continue to invest in improving functionality, content and the customer experience. Whilst we have seen a switch of customers back to stores, we have invested more in social media to acquire new customers and drive awareness and consideration through 'always on' marketing.

Across our third party relationships with Marks and Spencer, John Lewis and Partners and Next plc, we have broadened our reach to attract new customers and driven significant growth in sales. We are working closely with our existing partners to further grow sales as well as exploring new relationship opportunities, particularly internationally.

Our wholesale business is going from strength to strength. We have streamlined our critical path to provide a more reliable service to our customers and invested in technology to simplify the ordering process and increase in-season selling opportunities.

Strategic Report *(continued)*

Internationally, we are focused on profitable growth and improving our service to the customer to provide a solid platform for growth. We have established a solid base in Germany across stores, concessions, online and wholesale and we are committed to building on this for the future. Across the rest of Europe, Canada and other counties we are developing existing business and new opportunities through wholesale and online partnerships.

We are investing in technology to improve our customer experience, enable growth and drive operational efficiencies across the business. This investment includes better stock allocation systems as well as enabling stronger multi-channel functionality and facilitating better in season selling opportunities in our wholesale business.

The resilience and commitment of our teams during this period has been exceptional across all areas of the business and our ability to react and respond with agility and imagination to opportunities and challenges gives great confidence for the future as we navigate an uncertain economic environment. We are committed to investing in people to both retain and attract talent to support our opportunities to grow.

Current trading and outlook

We have made a strong start to the new year, particularly across our retail and 3rd party online channels with performance ahead of the general market. Momentum was impacted in September by the slowdown in consumer demand and whilst October's performance has been better, the impact of economic uncertainty remains.

The combined effects of the war in Ukraine, global inflation, increases in UK interest rates and the reduction in the value of sterling is having a significant impact on consumer confidence. The resultant level of uncertainty that this creates makes it difficult to predict the impact on sales in the months ahead. However, we have built flexibility and contingency into our plans so we can respond to whatever opportunities or challenges lie ahead.

The reliability of our supply chain has returned to some level of normality and freight costs are declining, so our stock position compared to last year is much stronger which will enable us to capitalise on opportunities as they arise.

We continue to invest in the brand and in technology to drive our business transformation to ensure we emerge out of this period of uncertainty even stronger than we are today. To underpin this, we are focused on driving cost reduction and operational efficiencies throughout our business.

We are cautious about the months ahead but are clear about the levers we need to pull and remain confident in our brand and our product and our ability to adapt to the changing market conditions.

Cash flows and Balance Sheet

The business finished the period with a net cash position of £(0.9)m (£4.1m cash at bank and in hand, less £(5.0)m drawdown under the Revolving Credit Facility) compared to last period's net cash position of £(0.7)m (£7.3m cash at bank and in hand, less £(8.0)m drawdown under the Revolving Credit Facility). Cash outflows during the period included £3.0m on capital expenditure, including £1.4m on technology and £1.6m on new stores and general infrastructure.

At the period end, the business held a £15.0m Revolving Credit Facility with Lloyds Bank under the Coronavirus Large Business Interruption Loan Scheme, with £10.0m until 28 May 2024 and £5.0m until 17 July 2023. In May 2021, shareholders including members of the executive invested a further £1.5m into the business through a shareholder loan agreement.

On 14 October 2022, the business signed a new £15.0m Revolving Credit Facility with Lloyds Bank that expires on 30 November 2024. This replaces the facility held at the period end. All banking facility covenants have been complied with and continue to be complied with and at the period end the business had drawn down £5.0m under its facilities (2021: £8.0m).

The net assets of the business closed at £9.8m versus £2.3m last period.

Strategic Report *(continued)*

Board composition and involvement in decision making

The board comprises two founder directors, two executive directors and three non-executive directors who together bring a range of skills and experience from a variety of business sectors. The Board is chaired by Debbie Hewitt, non-executive director.

The board meets formally at least ten times a year and additional meetings take place where required. There is a schedule of matters reserved for board approval. The board is responsible for setting and monitoring overall business strategy, the consideration and review of annual budgets, reforecasts and management accounts. It also considers and approved finance facilities, major investments, contractual and capital expenditure commitments, areas of regulatory compliance, and non-financial performance and strategy in areas such as sustainability, brand and culture, and workforce talent, retention and engagement.

The board receives a monthly board pack in advance of each board meeting which includes a summary of key areas from each business function, trade updates, business KPIs, management accounts and cashflow forecasts. It also receives specific papers in relation to that month's agenda in advance of the meeting and invites relevant department leaders to attend and present at board meetings so that it has appropriate insight and can effectively challenge and measure business proposals. In addition to monthly board business, the board receives weekly sales reports. It also conducts employee listening sessions with representatives from across the business to hear first-hand feedback across all areas of the business.

The board has an Audit Committee and a Remuneration Committee, both chaired by the Senior Non-Executive Director, Vince Gwilliam, both of whom meet at least twice a year. The Remuneration Committee considers overall Company reward proposals including pay increases, bonus schemes and longer term incentive schemes including the award of share incentives and formally approves all director reward proposals. In doing so, the committee receives and considers industry benchmarking data.

The Audit Committee meets at least twice a year to consider the Company's accounts, its risk register, and to consider and discuss issues raised by the Company auditors and tax advisors. The Company's auditors and tax advisors attend Committee meetings where among other things they outline the proposed audit approach and key risk areas, and table their report to the Committee following the annual audit and to discuss with the Committee any points raised in their report.

Details of the key business activities or events in the year are set in pages 1 - 3 of the Strategic Report and pages 8 - 14 of the Directors Report. The board was fully engaged with these activities and, through the framework described above and the engagement activities described in the s172 Statement on pages below, is closely involved in the decision-making process.

S172 Statement

The board is aware of its responsibility to promote the success of the company in accordance with its duties under s172 (1) of the Companies Act (section a to f) of the Companies Act 2006, and to act in good faith in a manner that benefits its members as a whole.

This statement describes how the Board discharged these responsibilities during the year under review, and in doing so how it has considered matters including:

- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company.

Our Stakeholders
The Board consider the following to be the company's key stakeholders:

- Our employees
- Our customers
- Our suppliers and business partners
- Our communities and the wider environment
- Regulatory bodies
- Our shareholders

The board seeks to balance the considerations of its key stakeholders in its decision making, having due regard for the longer-term impact of its decision making and the need to ensure the highest standard of business conduct are maintained. The framework by which it does this is described on page 4, and examples of how it engaged with its key stakeholders are set out in pages 5 - 6.

Strategic Report *(continued)*

Our Customers
Our customers lie at the heart of the Company's decision making, influencing all areas including product and brand evolution, technology investment, sustainability planning, and the training and selection of our employees.

This year the company continued to build on the output of its's comprehensive review of customer and product proposition which took place in 2020. In the year under review, the Board reviewed and approved the roll out of our updated brand logo across the shop estate, to deliver a cleaner, more modern brand proposition. The company has considered the customer when assessing the priorities of the technology investment roadmap, balancing investment in new customer-led technology with areas such as core back-office upgrades, and has drawn on the knowledge and experience of board members when assessing such investment decisions and measuring their outcomes. Through its periodic deep dives of people and talent, the board considers if the company (including the board) has the appropriate skills and experience to deliver the best possible customer experience. As part of a regular board pack, the board receives core customer information and KPI reports that allow it to evaluate the success of the customer acquisition strategy and customer sentiment towards product, brand and service.

Our Employees
Our employees are at the heart of our business success and the Company seeks to attract, retain and motivate the best talent that align with its core values. The board periodically reviews the structure, skills and experience of the senior management team to ensure this is appropriate to deliver the business strategy. All senior appointments are considered by the Board and at least one board member will meet with proposed new senior recruits prior to confirmation of their appointment.

At least annually the board undertakes a deep dive of People and Talent with the People Director in attendance to provide detailed insight and to answer board questions. In addition at least twice a year representatives of the board (including Non Executive Directors Debbie Hewitt and Vince Gwilliam and CEO Jo Jenkins, attend an employee listening session attended by a cross section of the business drawn from shops, the distribution centre, call centre and head office. These informal sessions are designed to allow employees to discuss directly with the board any issue that is important to them, and to allow the board to hear first hand employee views on a range of issues including general sentiment towards the business, it's performance and culture, reward and engagement and sustainability.

This year, the Board reviewed the results of a Diversity and Inclusivity survey undertaken by the business and debated the outcomes and initiatives proposed to inform the ongoing People strategy. The Board also receives the results of regular 'pulse' engagement surveys undertaken by the Company, raising any issues with the People Director during deep dive sessions. It has actively sought to understand employee sentiment towards flexible home/office working arrangements and to apply these in a balanced and fair way as far as possible. The board receives regular KPIs in respect of workplace accidents and incidents and formally considers health and safety within the business at least annually.

Our Suppliers
We are pleased to have emerged from the post-pandemic period with healthy and positive supplier and landlord relationships. We *aim to treat our product suppliers and their workers fairly, as described on pages* 9 - 10. The Board considers the product supply at least annually to ensure it has sufficient understanding of the structure and stability of the supply chain. The board considers the Modern Slavery Statement on an annual basis prior to publication on our website.

Our Communities
White Stuff has for many years sought to provide meaningful financial and non-financial support in the local communities where it operates. In addition, we recognise that adopting sustainable business practises is critical to minimise the impact of our business activities on the wider environment as described in pages 8 – 9 of the Directors Report.

White Stuff has its own charitable foundation, the White Stuff Foundation which was established in 2010. White Stuff's chosen charity partner is Home-Start UK, to a charity that works at grass roots level within local communities throughout the UK and Northern Ireland.

Two of the Company's directors are trustees of the Foundation, which allows the board to engage directly with planned charitable activities and fundraising proposals. The Foundation has a Framework agreement which sets out the operational and financial parameters in place between the Foundation and the Company, and which is reviewed by the Company board and Foundation trustees on an annual basis.

The board of directors is updated at least annually on the activities of the Foundation including fundraising, donations, partnerships and the impact of the Foundation's charitable giving. An outline of the charitable activities, fundraising and support can be found on pages 11 – 12 of the Directors' Report.

The business strategy, which is set and reviewed by the board, includes an explicit commitment that all our clothing will have a sustainable element by 2024, through such initiatives as described in pages 8 – 9 of the Director's Report. During the year the Board undertook a review of the supply chain, and a wider sustainability review to extend to other areas of the business will take place in the coming year.

Strategic Report *(continued)*

Regulatory and Other Agencies
The board is responsible for managing relationships regulator and other agencies including HMRC, our bank, insurers and credit rating agencies. It receives reports and updates from the CFO and the Company's auditors and tax advisors to ensure that is it cognisant of any issues or developments in these areas.

The CFO meets with the company bankers on a regular basis to discuss business performance and plans, fostering an open and transparent relationship to ensuring each is aware of each other's priorities and requirements. The CFO also liaises regularly with the company's credit agencies, and the Company Secretary and CFO meet with the Company's insurers periodically to discuss the risk profile of the business and to ensure this is effectively and appropriately mitigated. The Board reviews the company insurance arrangements prior to renewal to ensure that it is aware of any specific risk areas, and to ensure that there is alignment of the balancing needs to manage cost and risk within the business.

Shareholders
The Company is majority owned by its original founders, both of whom are members of the Board. The senior management of the business participate in the company's senior management share incentive scheme which aims to ensure that senior employees are appropriately incentivised to grow the business and participate in its success.

Stakeholder Engagement Statement

The way in which the board engages with its Stakeholders is set out in the s172 Statement on pages 4 - 6 of the Strategic Report.

Key performance indicators

The directors have determined that the following KPIs are the most appropriate for an understanding of the development, performance and position of the Group:

		2022 52 weeks ended	2021 52 weeks ended
Turnover by channel	(1)	£133.6m	£94.2m
Shop		*£62.6m*	*£27.4m*
Web		*£61.3m*	*£61.1m*
Wholesale		*£9.7m*	*£5.7m*
Turnover by geographical market as a % of turnover			
United Kingdom		*91.7%*	*90.4%*
Rest of Europe		*7.7%*	*8.8%*
Other		*0.6%*	*0.8%*
Adjusted EBITDA	(2)	£8.6m	£(3.4)m
Adjusted EBITDA as a % of turnover		6.4%	(3.6)%
Shop numbers	(3)	180	171
Solus shops		*125*	*126*
Concessions		*55*	*45*

1 Third party relationships are across all channels; shop, web and wholesale.

2 Adjusted EBITDA being operating profit/(loss) before interest, tax, depreciation, amortisation of loan costs, impairment, onerous lease provision, loss on disposal of fixed assets, share based payment charges, foreign exchange derivative revaluations and non-recurring costs (refer to below).

Strategic Report *(continued)*

Adjusted EBITDA calculation:

	2022 **£'000**	2021 £'000
Profit/(Loss) for the period	7,377	(10,948)
Adjustments for:		
Interest and similar expenses	388	135
Foreign exchange (gain)/loss on derivatives	(4,244)	2,564
Amortisation of loan costs	92	309
Loss on disposal of tangible assets	30	59
Impairment loss on intangible assets	196	397
Depreciation on tangible assets	1,764	2,880
Amortisation of intangible assets	2,628	1,369
Share based payment charge/(credit)	81	5
Onerous lease provision (release)/charge	(695)	(154)
Restructuring redundancy costs	65	1,997
Tax charge/(credit) on loss	929	(2,041)
Adjusted EBITDA	**8,611**	(3,428)

3 Number of new and closed shops at period end (excludes online concession).

	2022 **No.**	2021 No.
New solus shops	1	-
Closed solus shops	(2)	(9)
New concessions	10	2
Net shops and concessions	**9**	**(7)**
Re-sites	**3**	**2**

On behalf of the board

Canterbury Court
Kennington Park
1-3 Brixton Road
London
SW9 6DE

Jenkins

J V Jenkins
Director

21 October 2022

Directors' Report

Results and dividends

The Profit and Loss account is set out on page 19 and shows the results for the period. The Group prepares audited consolidated financial statements to the nearest Saturday to 30 April each period. The current period relates to the 52 week period ended 30 April 2022 and the comparative period to the 52 week period ended 01 May 2021.

No interim or period end dividend was declared or paid (2021: £nil).

Stakeholder Engagement Statement

The way in which the board engages with its Stakeholders is set out in the s172 Statement on pages 4 - 6 of the Strategic Report.

Social Responsibility – Doing Good Stuff

Introduction

We believe that fashion should never be fast and are committed to timeless designs, obsessing on the details to make clothes that last, crafting our ranges to create individual and unique designs that will want to be loved forever.

To underline our commitment to improving in the area of ESG we have recently taken on an experienced Sustainability Consultant who is working in our business helping to step change our sustainability ambitions. We aim to build a team that can deliver:

- High engagement, ownership and knowledge of ESG within our employee base
- Develop a clear action plan and framework for the future
- Work closely with our suppliers and partners to ensure compliance and the best possible sustainable solutions
- Engage with Regulatory and Non-Governmental organisations, charities and other groups to ensure we are measuring and reporting our progress with the utmost transparency and integrity.

In addition to this role and the planned addition of further heads, we have initiated a cross-functional working group to oversee ESG activities and initiatives on a day-to-day operational basis.

Highlights of the year under review:

- Engagement of expert and experienced sustainability consultants to help us deliver a step change in our sustainability ambitions
- Continued to increased use of innovative products such as fabric made from recycled materials, organic and Fair Trade cotton and responsibly sourced wool
- Continued to enhance our knowledge of our third tier suppliers, driving out training to these tiers through our accredited supplier training programme
- Donated £83k to Home-Start UK via the White Stuff Foundation, helping Home-Start to deliver their vital work in supporting families with young children through challenging times.

Sustainable Sourcing

In 2022 we commissioned an environmental consultancy to help formalise our ESG action plan in greater depth, developing our key objective pillars, and setting clear objectives and measurement scores. We have also employed a sustainability expert to drive implementation and to upskill the wider White Stuff team and suppliers through training and guidance manuals.

Within our Climate Pillar we are working towards setting a Science Based Target, SBTi, base line to set increasingly ambitions emission targets. We will measure and report our progress against our baseline measured targets.

Our Product Pillar continues to build on the progress already made around material sustainability. We are driving the increased use, and types, of recyclable materials year on year. We continue to aim to ensure that by 2024, 100% of our clothing products has sustainable attributes including organic cotton, Fair Trade cotton, Lenzing TM EcoVero™ viscose, RSW – Responsibly Sourced Wool, and recycled materials certified to RCS – (Recycled Claims Standard) and GRS – (Global Recycled Standards).

Directors' Report *(continued)*

We are well placed to deliver our stated ambition that 100% of our clothing will contain sustainable attributes by 2024, as set out in the table below. At the time of writing, 69% of womenswear and menswear ranges contained sustainable attributes which include:

	As % total units
Fairtrade	39%
Organic	22%
Recycled fabric	6%
Sustainable viscose	2%
Total	69%

Sustainable Material Facts:

- In Spring / Summer 2021 50% of our swimwear was made from Repreve ™ fabric, and we are delighted that this figure will increase to 100% of our Spring/Summer 2022. Repreve ™ Nylon yarn is created from utilising the scrap nylon waste from production lines which are collected together and reformulated into new yarns. Repreve ™ Polyester is created from used plastic bottles which are broken down, melted and made into yarns.
- We continue to increase our use of organic cotton and are delighted that all our core cotton knitwear range is made with organic cotton.
- All our women's and men's t shirts are made using fairtrade and organic cotton.
- All of our men's cotton chinos and chino shorts are made using organic cotton.
- 50% of our women's nightwear now contains organic yarns.
- 70% of our sock and tight products are made using organic cotton.

Sustainable processes

- We are proud to work with one of the leading factories in sustainable denim production; the factory uses innovative production methods to reduce the environmental impact of the production process, including 100% adherence to the ZDHD Waste Water guidelines, using energy powered by their on-site renewable energy sources (including onsite rooftop solar panels), and recycling a significant proportion of water back into the production process.
- We have substantially increased our use of Lenzing™ Eco-Vero™ viscose, which is certified by the internationally recognised EU-Eco label of environmental excellence. The viscose is derived from sustainable wood pulp from responsibly managed, certified forests, and is produced using significantly less fossil energy and water than generic viscose.
- Our cashmere is sourced from Good Cashmere Standard suppliers. The Good Cashmere Standard was formed by the Aid by Trade foundation which promotes animal welfare and supports cashmere farmers to secure a sustainable source of income. The cashmere yarn is traceable down to the individual yarn cone and is sourced from ethical farms in Inner Mongolia which are regularly monitored to ensure the best living standards of the animals.

Fair treatment of our workers

We work with suppliers who share our values in respect of their workforce and we regularly monitor this. We are an active member of the Ethical Trading Initiative (ETI), a body made up of retailers, non-governmental organisations and unions. The ETI is a way for these organisations to come together and share learnings, join projects and work closely on supply chain initiatives that can bring changes and improvements for workers in the factories that make our product.

We publish our Modern Slavery Statement annually which explains the steps we have taken so far to address this issue across our business. Our ongoing training programmes continue with our key factories, to train our supplier compliance teams on how to ethically audit their own supply base which has helped to increase visibility of our end-to-end supply chain further down the tiers.

Directors' Report *(continued)*

We have a code of conduct that sets out our minimum expectations in respect of working conditions and labour and wages, which covers:

- General principles
- Non discrimination
- Forced labour
- Child labour
- Wages and hours
- Working conditions
- Environment
- Freedom of association

Every one of our Tier 1 large suppliers is required not only to sign up to this code of conduct, but to undertake audits conducted by our own auditors to ensure that the factory conditions are safe and the rights of the workers are respected. We use auditors that are independent and have a close personal understanding of the factories we use which we find helps us to obtain first-hand, meaningful insight into the results of the audits that they undertake for us.

The supply chain within the garment industry is fragmented, meaning that obtaining visibility over the end-to-end supply chain process can be challenging. We are making progress to obtain more depth of insight and by the end of 2022 we expect to begin a new accreditation training program with the next tiers of our supply chain, starting with our key suppliers in India, Bangladesh & Sri Lanka.

We have already started training our Tier 2 suppliers working with our 5 key Indian suppliers. This involves them socially and ethically auditing their facilities to ensure the same standard as the Tier 1 factories.

Our partnership with Fairtrade allows us to independently verify that farmers are paid a fair price for their cotton. It allows us traceability to the co-operatives from which we have sourced.

Reducing Our Waste

We continue to look for other ways to reduce waste produced by us in the course of our activities.

We continue to put our garment samples to good use once we no longer require them for the production process. We sift out garments such as overcoats, men's socks, underpants, jumpers and shoes and donate them to a homeless charity that operates in the South London area where our offices are based. In addition, we hold regular sample sales, donating all monies raised to Home-Start UK, the charity partner of the White Stuff Foundation. Any samples which are not fit for sample sale or re-use are donated to charities who recycle or repurpose them.

In the year under review, our shop estate went through a major brand update, meaning many of our in-store props and display items were refreshed. Our local shops rose to the challenge of re-homing as many of these items as possible to avoid them ending up in landfill sites, with many shops introducing local 'auctions' to raise money for charity or by donating to local community groups. In addition, whenever a shop is closed or relocated, we do all we can to ensure the fixtures and materials are repurposed to new shop locations.

We recycle waste at all our shops, our DC and at our head office to deal with waste from old tea bags through to paper and plastic. Wherever possible we aim to source our packaging and consumables from recycled or recyclable paper and plastic, and wherever possible source our paper from 100% Forestry Services Commission (FSC) forests.

In the year under review, we launched a full review of all imported plastic waste and are working with our suppliers to overhaul the composition of our supplier garment packaging, to reduce the amount of non-recycled or recyclable plastic within our end to end supply chain. We are monitoring and reporting our use of imported plastics in line with the requirements of the Plastic Packaging Tax which came into effect during the year under review.

Greenhouse Gas Emissions

In the year under review, White Stuff continued to roll out its LED lighting upgrade across the estate, which saw all new shops open with energy efficient LED lighting and air conditioning systems, and the replacement of existing lighting with LED lights in seven of our existing shops, and in the car part of our Distribution Centre. Our head office and Distribution centre have motion-sensor lighting in place, meaning we minimise our use of electricity when the locations are unoccupied.

Directors' Report *(continued)*

The table below sets out the Company's Streamlined Energy and Carbon Reporting (SECR) disclosures for Scope 1 and Scope 2.

	20221/22		2020/21	
Utility and Scope	**Consumption (kWh)**	**Consumption (tCO2e)**	**Consumption (kWh)**	**Consumption (tCO2e)**
Grid-supplied electricity (scope 2)	**4,812,102**	**1,022**	3,546,825	827
Gaseous and other fuels (scope 1)	**1,099,920**	**202**	1,226,775	226
Transportation (scope 1)	**243,567**	**56**	149,220	35
TOTAL	**6,155,588**	**1,280**	4,922,820	1,088

	2021/22	2020/21
Intensity Metric	**KWh/tCO2e/m2**	**KWh/tCO2e/m2**
Intensity metric – gross internal area	0.0396	0.0313
Intensity metric - gross sales area	0.0406	0.0324

The above data reflects consumption of sites where the Company has the ability to influence energy management. Data is not reported where the Company has limited or no ability to influence energy management (for example for concessions within a department store). Scope 1 and 2 consumption, CO2e emission data and the Emission Factor Database used are considered with the 2019 UK government environmental reporting guidance, using the current published kWh gross calorific value (CV) and kgCO2e relevant for the year under review. The increase in energy consumption is predominantly due to the re-opening of our shops and head office after a prolonged period of closure during the Covid pandemic.

Charity and Community

White Stuff has for many years regarded charitable support as an integral part of the way it conducts its business. White Stuff donates at least 1% of its profits to the White Stuff Foundation, and in addition to this undertakes a range of other fundraising activities through initiatives involving our customers, our employees and the general business.

In the period under review, we are proud that White Stuff, our customers and our employees generated charitable donations of £0.1m (2021: £0.3m) for local charities through the White Stuff Foundation. Since the establishment of the White Stuff Foundation in 2010, White Stuff has donated over £4.0m to charitable causes.

In March 2022, at the beginning of invasion of Ukraine when there were large numbers of people fleeing their homes, we partnered with the British Red Cross Ukraine Crisis Appeal and mobilized our staff and customers to raise money. With the support of our amazing colleagues, we were proud to have helped raise over £60k for this appeal through various fundraising initiatives which included:

- Donating 50% of our profits from sales on 3rd March 2022
- Matching the personal fundraising efforts of our colleagues, who responded with a range of initiatives including-sponsored events, bake sales, in-store activities, and making and selling items for the appeal
- Holding a staff sample sale at our distribution centre.

Home-Start UK

We have continued to support our chosen charity partner, Home-Start UK, a charity that supports families with young children through their challenging times. Home-Start UK operates a network of local Home-Start charities that work with families throughout the UK and Northern Ireland.

We continue to use imaginative and engaging ways to raise monies, and are delighted that in the year under review, we raised over of £83k for Home-Start through the fundraising efforts of the business, it's employees and customers.

In the year under review, we were pleased to introduce two special charity products designed in collaboration with Home-Start families – a range of three beautiful 'chari-tee' shirts which were designed in collaboration with Home-Start mums, and a special 'chari-tea' towel which was inspired by Home-Start UK children using words they think about when they think about Christmas. This complimented our ongoing range of special 'heart' charity products including bags, jumpers and key rings. 100% of profits from the sale of our Home-Start charity products are donated to Home-Start UK.

We also look to include charity in our ancillary activities, for example by inviting customers who use a White Stuff carrier bag to make a donation to charity, and by donating the proceeds from our popular samples sales.

Directors' Report *(continued)*

We are constantly surprised by the extraordinary generosity of our employees who are encouraged to get involved in fundraising activities if they wish; and in the year under review we were particularly proud of our shop teams who entered various running events including the Great North Run, the Great South Run and the London Marathon, raising money for Home-Start UK. From time to time, we hold social or bar nights at our head office where our employees may, if they wish, make a donation to our partner charity.

Over the Christmas period, we invited several families supported by White Stuff to decorate our Christmas windows at our Guildford shop and were delighted that the Home-Start families and volunteers and the White Stuff shop team came together for an afternoon of fun, including a visit from Santa, party food and goody bags.

In this, the second year of our partnership with Home-Start UK, we were proud to fund a new position of Perinatal and Infant Mental Health Lead for Home-Start UK, which has strengthened Home-Start's ability to support the mental health of new parents by build healthy foundations during the crucial first 1001 days of baby's life.

We also provided funding for the first part of an 'Empowering Women' project commissioned by Home-Start UK aimed at improving insight over the nature of the challenges experienced by women supported by the local Home-Start network, so that support offered in this area can be better understood and leveraged. The output of this work identified a number of common themes including financial insecurity, debt, isolation, physical and mental health issues, domestic violence, stress and family breakdown. In the forthcoming year, we have provided additional funding to support initiatives which aim to tackle these issues at a local level.

We also aim to forge awareness and understanding of the work that Home-Start undertakes among our own employees, by inviting Home-Start to attend and speak at our annual manager's conference and at our head office staff meetings, which allows our employees to hear first-hand about the work undertaken by the charity, and the way our funding has been used. We were delighted to be invited to the Home-Start corporate sponsors event held in London this year, where we provided good bags to those attending, and were able to learn more about the charity's strategic plans for the future.

Our People

A return to the new normal
As the day-to-day risks of Covid slowly reduced we were able to carefully adjust our ways of working to a new reality of 'hybrid working' (for our office teams), and more 'in-person' engagement activities. At the same time, we were able to reduce some of the heightened safety measures that our Distribution and Retail colleagues were having to work with.

Early in the year we consulted with our office-based teams to understand their views on a return to office workplace. While a sole home-cased working approach brought undoubted challenges, we acknowledge that a degree of home-working had delivered some unforeseen benefit to many of our office workers, and we wished to respect the clear wish of many of our office teams to work in a flexible 'hybrid' manner. We accept that one size doesn't fit all when it comes to hybrid working, and therefore we empower our own staff and managers to work out the office / home routine that best fits their professional and personal life.

To accommodate this new way of working we went through a complete renovation and redesign of our HQ, adapting our office design to accommodate fewer workstations, but introducing much more interactive, flexible-use space. The new layout has been warmly received and has helped in encouraging people back to the office for all or part of their working week without having to mandate it. We have restarted many of our social and engagement activities in-person, and once a month encourage all head office employees to attend the office for planned monthly Family Gatherings (team briefs) which we support with social activities in the same evening, which allows people to bond more closely with their teams, and which has allowed new starters who joined during the Pandemic to get to know the wider business.

The year under review saw the reintroduction of our annual shop manager's conference which took place in person, allowing our manages to meet business leaders, to hear first-hand the plans for the business in the year ahead, and to ask questions directly to the senior leadership team.

Wellbeing and safety
Throughout the year we have maintained a focus on employee wellbeing, delivering wellbeing tool kits and specific training and information packs for line managers. Within these kits and at appropriate times we have had specific focuses on mental health wellbeing, including face to face training sessions and training of additional mental health first aiders. We also included specific questions around Wellbeing in this year's Engagement Survey to gather feedback and an understanding of our performance.

The business has a Health and Safety committee which meets at least quarterly, and which is attended by, among others, representatives from shops, head office, the distribution centre, the People Team and the Board of Directors. In addition, external expert support is provided by a third-party consultant. The committee receives a report of current issues and focuses, planned and reactive maintenance, and statistics on accidents and near misses, and takes account of these when planning its ongoing work.

Directors' Report *(continued)*

Diversity and Inclusion
Our wellbeing initiatives also run in parallel to the work done by our Diversity &Inclusion committee which has been focusing on understanding the specific diversity challenges within our organisation and have developing a framework within which to work and develop action plans. In October we are delivering Menopause Awareness training to the top 30 leaders within the business as well as communicating out to the business as a whole. This is the type of Diversity & Inclusion activity that is well-suited to the demographic of our population.

We have continued to measure employee engagement through our regular, anonymous 'on the pulse' surveys, the results of which are shared with the business (including the Board of Directors) and any common issues are considered and wherever possible addressed.

We strive to ensure all our employees are kept informed about the performance of the business. At the beginning of each financial year, the budget and key focuses for the year ahead are outlined to our employees at head office, in shops and at our distribution centre, and issue sales and other financial updates to our employees throughout the year. In addition, representatives from our shops, head office, distribution centre and call centre are invited to participate in a Board employee listening session conducted by representatives from our Board of Directors, allowing the board to hear first hand about any issues, feedback or observations from our employees.

We regularly review our internal processes to ensure that we are fully compliant and have plans to improve on subjects such as gender and equal pay, compliance with National Living Wage rules, completion of annual compliance training, and that our offices, shops and warehouses are fully compliant with Health and Safety regulations.

Employees with Disabilities
We welcome applications for employment by people with disabilities and their applications are always fully and fairly considered in the recruitment process. For new or existing employees with a disability we will make all reasonable adjustments to the role and workplace to ensure that they are set up for success. All our locations are compliant with obligations regarding access and adaptability of the workspace.

Our Goals for the Future

- To develop our ESG roadmap and embed this across our business, widening the measurement of our emissions, improving visibility over our end to end packaging consumption to reduce the quantity used and increase the recyclable content of the materials, and to develop KPIs to measure and monitor our progress.
- To continue to increase our use of innovative and sustainable materials and production processes across our ranges.

Contributing to the Tax System

The Group believes that paying taxes arising from our activities is an important part of how the business contributes to societies in which we operate. This period the Group has paid a total £29.2m (2021: £17.7m) in taxes. The increased taxes paid during the year compared to last year, reflects mainly the increase level of sales during the year, 2021 deferral of duty and VAT under the HMRC approved schemes fully paid in 2022, increase in EU customs duty and import VAT following Brexit and the return of full business rates.

Political donations

The Company made £nil (2021: £nil) political donations during the period.

Other information

An indication of likely future developments in the business, financial risk management disclosure and information on key financial risks have been included in the Strategic Report on pages 1 - 7.

Directors

The directors of the Company who were in office during the period and up to the date of signing the financial statements were:

A D M Hewitt MBE *(chairman)*
J V Jenkins
N C H Mather
G T Treves
S G Thomas
V M L Gwilliam
G G Jones

Directors' Report *(continued)*

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Group's auditors are unaware; and the directors have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Post Balance Sheet events

Details of the post Balance Sheet events can be found in Note 28 to the financial statements.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution to reappoint them as auditors to the Group was approved on 21 October 2022.

On behalf of the board

Canterbury Court
Kennington Park
1-3 Brixton Road
London
SW9 6DE

J V Jenkins
Director

21 October 2022

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

Independent auditors' report to the members of White Stuff Group Limited

Report on the audit of the financial statements

Opinion

In our opinion, White Stuff Group Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 30 April 2022 and of the group's profit, the company's result and the group's cash flows for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: Consolidated Balance sheet and Company Balance sheet as at 30 April 2022; Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Independent auditors' report to the members of White Stuff Group Limited *(continued)*

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the period ended 30 April 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

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

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

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

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.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to potential management bias in accounting estimates and inappropriate journal posting to manipulate financial results. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of any known or suspected instances of non-compliance with laws and regulations and fraud
- Identifying and testing journal entries with an unusual account combination;
- Designing audit procedures to incorporate unpredictability over the nature, timing or extent of our testing;
- Challenging assumptions made by management in determining their judgements and accounting estimates;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing the financial statement disclosures and agreeing to underlying supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report
This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of White Stuff Group Limited *(continued)*

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Craig Skelton (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
21 October 2022

Consolidated Profit and Loss Account and Other Comprehensive Income

for the period ended 30 April 2022

	Note	Before exceptional items 52 weeks ended 30 April 2022 £'000	Exceptional items (Note 3) 52 weeks ended 30 April 2022 £'000	Total 52 weeks ended 30 April 2022 £'000	Before exceptional items 52 weeks ended 01 May 2021 £'000	Exceptional items (Note 3) 52 weeks ended 01 May 2021 £'000	Total 52 weeks ended 01 May 2021 £'000
Turnover	2	133,612	-	133,612	94,244	-	94,244
Cost of sales		(52,733)	-	(52,733)	(41,768)	-	(41,768)
Gross profit		80,879	-	80,879	52,476	-	52,476
Administrative expenses	3	(79,824)	434	(79,390)	(66,734)	(2,240)	(68,974)
Other operating income	4	2,961	-	2,961	6,208	-	6,208
Operating profit/(loss)	5	4,016	434	4,450	(8,050)	(2,240)	(10,290)
Interest receivable and similar income	8	4,245	-	4,245	6	-	6
Interest payable and similar expenses	9	(389)	-	(389)	(2,705)	-	(2,705)
Profit/(loss) before taxation		7,872	434	8,306	(10,749)	(2,240)	(12,989)
Tax credit on profit/(loss)	10	(952)	23	(929)	1,660	381	2,041
Profit/(loss) after taxation		6,920	457	7,377	(9,089)	(1,859)	(10,948)
Other comprehensive income for the period, net of income tax		120	-	120	69	-	69
Total comprehensive income/(expense) for the period		7,040	457	7,497	(9,020)	(1,859)	(10,879)

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior period are included in the Profit and Loss account.

The notes on pages 25 to 45 form part of these financial statements.

Consolidated Balance Sheet
at 30 April 2022

	Note	30 April 2022		01 May 2021	
		£'000	**£'000**	£'000	£'000
Fixed assets					
Intangible assets	*11*		**3,689**		5,178
Tangible assets	*12*		**3,569**		3,687
			7,258		8,865
Current assets					
Stocks	*14*	**30,918**		19,827	
Debtors – due within one year	*15*	**11,104**		7,085	
– due after more than one year	*16*	**6,857**		6,933	
Cash at bank and in hand		**4,138**		7,266	
		53,017		41,111	
Creditors - amounts falling due within one year	*17*	**(43,908)**		(42,916)	
Net current assets/(liabilities)			**9,109**		(1,805)
Total assets less current liabilities			**16,367**		7,060
Creditors - amounts falling due after one year	*18*		**(1,500)**		(207)
Provisions for liabilities	*20*		**(5,023)**		(4,530)
Net assets			**9,844**		2,323
Capital and reserves					
Called up share capital	*23*		**-**		-
Share premium account			**1,164**		1,164
Reserve for own shares			**(7,967)**		(7,954)
Merger reserve			**27,708**		27,708
Share option reserve			**584**		547
Translation reserve			**133**		13
Profit and loss account			**(11,778)**		(19,155)
Total shareholders' funds			**9,844**		2,323

The notes on pages 25 to 45 form part of these financial statements.

The financial statements on pages 19 to 24 were approved by the board on 21 October 2022 and were signed on its behalf by:

Jenkins

J V Jenkins
Director

Company Balance Sheet
at 30 April 2022

	Note	30 April 2022		01 May 2021	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	13		40,000		40,000
Current assets					
Debtors	15	2,208		2,209	
		2,208		2,209	
Creditors - amounts falling due within one year	17	(8,845)		(8,870)	
Net current liabilities			(6,637)		(6,661)
Total assets less current liabilities			33,363		33,339
Net assets			33,363		33,339
Capital and reserves					
Called up share capital	23		-		-
Share premium account			1,164		1,164
Reserve for own shares			(7,967)		(7,954)
Merger reserve			27,708		27,708
Share option reserve			584		547
Profit and loss account			11,874		11,874
Total shareholder's funds			33,363		33,339

The Company has made £nil profit or loss during the current financial period (2021: £nil).

The notes on pages 25 to 45 form part of these financial statements.

The financial statements on pages 19 to 24 were approved by the board on 21 October 2022 and were signed on its behalf by:

J V Jenkins
Director

Consolidated Statement of Changes in Equity

For the period ended 30 April 2022

	Share Premium	Own shares held	Merger reserve	Share option reserve	Translation reserve	Profit and loss account	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 03 May 2020	**1,164**	**(7,954)**	**27,708**	**558**	**(56)**	**(8,207)**	**13,213**
Loss for the financial period	-	-	-	-	-	(10,948)	(10,948)
Transactions with owners, recorded directly in equity							
Own shares acquired	-	-	-	-	-	-	-
Share based payments credit	-	-	-	(11)	-	-	(11)
Effect of movement in foreign exchange	-	-	-	-	69	-	69
Total contributions by and distributions to owners	-	-	-	(11)	69	-	58
Balance at 01 May 2021	**1,164**	**(7,954)**	**27,708**	**547**	**13**	**(19,155)**	**2,323**
Profit for the financial period	-	-	-	-	-	7,377	7,377
Transactions with owners, recorded directly in equity							
Own shares acquired	-	(13)	-	-	-	-	(13)
Share based payments charge	-	-	-	37	-	-	37
Effect of movement in foreign exchange	-	-	-	-	120	-	120
Total contributions by and distributions to owners	-	(13)	-	37	120	-	144
Balance at 30 April 2022	**1,164**	**(7,967)**	**27,708**	**584**	**133**	**(11,778)**	**9,844**

The notes on pages 25 to 45 form part of these financial statements.

Company Statement of Changes in Equity

for the period ended 30 April 2022

	Share Premium	Own shares held	Merger reserve	Share option reserve	Profit and loss account	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 03 May 2020	1,164	(7,954)	27,708	558	11,874	33,350
Transactions with owners, recorded directly in equity						
Share based payments credit	-	-	-	(11)	-	(11)
Balance at 01 May 2021	1,164	(7,954)	27,708	547	11,874	33,339
Transactions with owners, recorded directly in equity						
Share based payments charge	-	-	-	37	-	37
Own shares acquired	-	(13)	-	-	-	(13)
Balance at 30 April 2022	1,164	(7,967)	27,708	584	11,874	33,363

The notes on pages 25 to 45 form part of these financial statements.

Consolidated Cash Flow Statement

for the period ended 30 April 2022

	Note	**30 April 2022 £000**	01 May 2021 £000
Cash flows from operating activities			
Operating loss for the period		4,450	(10,290)
Adjustments for:			
Depreciation and impairment of tangible assets	*5*	1,764	2,880
Amortisation and impairment of intangible assets	*5*	2,824	1,766
Loss on disposal of fixed assets	*5*	30	59
Foreign exchange gain/(loss)	*9*	4,244	(2,564)
Amortisation of loan issue costs	5	92	309
Share based payment credit	*24*	37	(11)
(Increase)/Decrease in stocks	*14*	(11,091)	1,332
(Increase)/ Decrease in debtors	*15,16*	(4,920)	(283)
Increase/(Decrease) in creditors	*17,18*	3,797	2,868
Increase/(Decrease) in provisions	*20*	493	104
Taxation	*10*	(62)	220
Net cash from operating activities		**1,658**	(3,610)
Cash flows from investing activities			
Interest received	8	1	6
Acquisition of tangible fixed assets	*12*	(1,684)	(574)
Acquisition of intangible fixed assets	*11*	(1,335)	(720)
Proceeds for sale of equipment		6	2
Foreign exchange losses	*12*	8	3
Net cash from investing activities		**(3,004)**	(1,283)
Cash flows from financing activities			
Interest paid	*9*	(389)	(141)
Purchase of own shares		(13)	-
Net Loan drawn down	*19*	(3,000)	-
Increase in borrowings		1,500	
Net cash from financing activities		**(1,902)**	(141)
Net increase/(decrease) in cash and cash equivalents		**(3,248)**	(5,034)
Cash and cash equivalents at the beginning of the period		7,266	12,231
Exchange gains/(losses) on cash and cash equivalents		120	69
Cash and cash equivalents at the end of the period		**4,138**	7,266

The notes on pages 25 to 45 form part of these financial statements.

Notes

1 Accounting policies

White Stuff Group Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation
The financial statements have been prepared under the historical cost modified by revaluation of financial assets and financial liabilities held at fair value through Profit and Loss and are in accordance with Companies Act 2006.

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss account under FRS 102 of the Company is not presented.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

On the acquisition of a business, fair values, reflecting conditions at the date of acquisition, are attributed to the net assets acquired. Where merger relief is applicable under the UK Companies Act, the difference between the fair value of the business acquired and the nominal value of shares issued as purchase consideration is treated as a merger reserve.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied from:

- preparing a statement of cashflows, on the basis that it is a qualifying entity and the consolidated statement of cashflows, included in these financial statements, includes the company's cashflows;
- disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.
- disclosing share based payment arrangements, required under FRS 102 paragraphs 26.18 (b), 26.19 to 26.21 and 26.23, concerning its own equity instruments, as the company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; and
- the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures.

Going Concern
At the period end, the business held a £15.0m Revolving Credit Facility with Lloyds Bank under the Coronavirus Large Business Interruption Loan Scheme, with £10.0m until 28 May 2024 and £5.0m until 17 July 2023. In May 2021, shareholders including members of the executive invested a further £1.5m into the business through a shareholder loan agreement. These facilities are available to the Group and its subsidiaries. The terms of the agreement include quarterly testing of various financial covenants.

On 14 October 2022, the business signed a new £15.0m Revolving Credit Facility with Lloyds Bank that expires on 30 November 2024. This replaced the existing £15.0m Revolving Credit Facility.

Projected cash flow information for the Group has been prepared for the period ending 18 months from the approval of these financial statements. The directors have tested the impact of variations from the projections by assessing the adequacy of the funds and the ability to operate within the financial covenants, under a combination of different scenarios constructed to reflect reasonable possible downside risks to the assumptions within the projections.

The directors considered several downside scenarios including decreased sales sensitivity; and the levers of discretionary and uncommitted costs which the business would manage to mitigate the sales impact. These show the Group is capable of operating within the facilities and meeting the financial covenant tests.

Having considered the basis of preparation and the assumptions underlying the Group's cash flow projections, the directors have a reasonable expectation that the Group and the Company will be able to meet its liabilities as they fall due for the foreseeable future. It is on this basis that the directors consider it appropriate to prepare the financial statements on a going concern basis.

Consideration of climate change
In preparing the financial statements we have considered the impact of climate change. There has not been a material impact on the financial reporting judgements and estimates from our considerations, consistent with our assessment that climate change is not

Notes *(continued)*

1 Accounting policies *(continued)*

expected to have a meaningful impact on the viability of the group in the medium term. In preparing our forecasts, including the rate of revenue and costs growth we have considered the impact of climate change, with no significant impact noted.

Turnover
Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales. Turnover from the sale of goods is recognised when the goods are physically dispatched to the customer. Turnover is recognised at the fair value of consideration recoverable and turnover is adjusted for estimated sales returns post period end. For our third party relationships where the third party is the agent, revenue is recognised at the price paid by the end customer and the concession cost is recognised as an expense.

Cost of sales
Cost of sales includes the costs of goods supplied, distribution costs and stock risk management. All other costs are included in administration expenses.

Grant income
Grant income is recognised once the conditions attached to the grant are met and there is reasonable assurance that the grant will be received. Recognition is based on the accrual model and the income is included within other operating income.

Exceptional items
Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the company. They are items that are material either because of their size or their nature, or that are non-recurring. Exceptional items are included within the Profit and Loss account and presented within the line to which they best relate. They are only split out for the purposes of adjusted EBITDA.

Material items are those where, in management's opinion, their separate reporting provides a better understanding of the underlying business performance; and which are significant by virtue of their size and nature. Management assesses the specific circumstances which have led to non-recurring items and the likelihood of recurrence.

Intangible assets
Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation
Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software development	- 20% to 33% straight line

Amortisation is charged to the profit or loss and are amortised from the date they are available for use.

Tangible assets
Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation
Depreciation is provided to write off the cost, less estimated residual values, of all tangible assets, except for investment properties and freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Land and buildings – leasehold	- Straight line over the life of the lease
Plant, machinery, fixtures and fittings	- 20% straight line
Motor vehicles	- 25% reducing balance
Office equipment	- 20% straight line
Computer equipment	- 20% to 33% straight line

Stocks
Stocks are valued at the lower of cost and net realisable value. Cost is based on the weighted average cost of purchases. Net realisable value is based on estimated selling price less additional costs for disposal.

Trade and other debtors / creditors
Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Derivative financial instruments
Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are

Notes *(continued)*

1 Accounting policies *(continued)*

subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the Profit and Loss in financial costs or income as appropriate. The company does not currently apply hedge accounting for foreign exchange derivatives.

Basis of consolidation
The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 30 April 2022. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated Profit and Loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own Profit and Loss account.

Goodwill
Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on consolidation in respect of acquisitions is capitalised and stated at cost less accumulated amortisation and any impairment in value. Goodwill is amortised on a straight-line basis over its estimated useful life up to a maximum of 10 years.

Impairment
The carrying amounts of the Group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Profit and Loss account. A cash generating unit is on an individual store level, the assessment includes all sales and costs directly associated with that store and also specific allocation of central head office costs and multi-channel driven sales from that store.

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

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

Onerous lease contracts are contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Foreign currency
Foreign currency transactions are translated at the rate of exchange at the date of the transaction or, when hedged, at the forward contract rate. Foreign currency monetary assets and liabilities are translated at the rates ruling at the Balance Sheet date. Any differences on retranslation are taken to the Profit and Loss account.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the Balance Sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

Pre-opening costs
Pre-opening costs are revenue costs, normally consisting of store staff salaries, occupancy costs and related costs prior to the commencement of trade at new shops. These are expensed in the period in which they are incurred.

Investments
Investments are stated at fair value less any provision for impairment. An impairment is recognised when the carrying amount of the investment exceeds the recoverable amount from the investment, with the recoverable amount of the investment being based upon the higher of net realisable value or value in use.

Dividends
Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Notes *(continued)*

1 Accounting policies *(continued)*

Taxation
Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the Profit and Loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax, including UK and foreign tax, is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax balances are recognised, without discounting, in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that the recognition of deferred tax assets is limited to the extent that the Group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Interest receivable and Interest payable
Interest payable and similar charges include interest payable net foreign exchange losses that are recognised in the Profit and Loss account (see foreign currency accounting policy). Other interest receivable and similar income include interest receivable on cash and cash equivalents and net foreign exchange gains. Foreign currency gains and losses are reported on a net basis.

Interest bearing borrowings
Immediately after issue debt is stated at the fair value of the consideration received on the issue of the capital instrument after deduction of issue costs. The issue costs directly associated with the arrangement of loan facilities are offset against the carrying value of the loans and amortised over the period of repayment of the respective loan.

Cash
Cash, for the purpose of the cash flow statement, comprises cash in hand, card receivables and deposits repayable on demand, less overdrafts payable on demand.

Leased assets
All leases held are operating leases and the payments made under them are charged to the Profit and Loss account on a straight-line basis over the lease term. Lease premiums and similar incentives received to enter into operating lease agreements are released to the Profit and Loss account over the life of the lease. Amendments have been made to Section 20 Leases, of FRS 102 in relation to rent concessions due to COVID-19. For any temporary rent concessions occurring as a direct consequence of the COVID-19 Pandemic when any reduction in lease payments affects only payments originally due on or before 30 June 2021, we have recognised the changes in operating lease payments that arise from COVID19-related rent concessions on a systematic basis over the periods that the change in lease payments is intended to compensate.

Share-based payments
When share incentives are awarded to employees, the fair value of the incentive at the date of grant is charged to the income statement over the vesting period. Certain awards carry a vesting condition that is contingent on an exit event (such as the sale of the Company or a change of control). In these cases, management use their best estimate of the expected vesting period at the end of each reporting date. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the incentive granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of incentives granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the incentive. The fair value of the incentive granted is measured using the Black Scholes option pricing model, taking into account the terms and conditions upon which the incentives were granted. The amount recognised as an expense is adjusted to reflect the actual number of share incentives that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

Pension costs
The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in a separately administered fund. Contributions to the Group's defined contribution pension scheme are charged to the Profit and Loss account in the period in which they become payable.

Accounting estimates and judgments
Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors, including management's reasonable expectations of future events. The preparation of the financial statements requires management to make significant accounting estimates and judgements concerning the future. The resulting accounting estimates will, by definition, be

Notes *(continued)*

1 Accounting policies *(continued)*

likely to differ from the related actual results. The estimates and judgements that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

a) Impairment:
Carrying amount of tangible fixed assets for stores are identified for further impairment testing primarily on the basis of current and projected performance, with growth assumptions based on directors' knowledge and experience. Given the relative immaturity of the brand outside the UK, the payback period is typically longer and it is not uncommon for new stores to make losses in their start-up phase. Judgment is therefore applied by the directors in assessing the trigger point for impairment, recognising that losses in the start-up phase are not always indicative of the future performance of a particular store. The directors have used forecast models and an appropriate post-tax adjusted weighted average cost of capital in its tangible fixed assets impairment calculations. Management considered the sensitivity of the proposed impairment charges to movements in key assumptions such as the discount rate (based on post-tax weighted average cost of capital), long-term growth rate, performance projections, grace periods for new stores or new International regions and the wider economic environment. Management satisfied itself that the assumptions used and the resulting impairment charges were reasonable.

Carrying amount of intangible fixed assets are reviewed for impairment when factors, events or changes in circumstances indicate that the carrying amount of the intangible fixed asset may not be recoverable. Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the impairment of such intangible fixed assets are reviewed.

Carrying amount of investment in the Company is also identified for further impairment testing as above, on the basis of current and projected performance. Management considered the sensitivity of impairment to movements in key assumptions such as discount rate, long term growth rate, capitalised and significant operating costs, and the wider economic environment. Any reasonable possible sensitivity to key inputs could be mitigated through reduction in discretionary spend, including capitalised costs. Management satisfied itself that the assumptions used were reasonable and that there was no resulting impairment charge.

b) Inventory Valuation:
The directors have used their knowledge and experience of the retail industry in determining the level and rates of provisioning required to calculate the appropriate inventory carrying values. Inventory is carried in the financial statements at the lower of cost and net realisable value. Sales in retail can be volatile with consumer demand changing based on current trends. As a result, there is a risk that the cost of inventory exceeds its net realisable value. Management calculates the inventory provision on the basis of the ageing profile of what is in stock. Adjustments are made where appropriate based on managements' knowledge and experience to calculate the appropriate inventory carrying values. Management reviewed the methodology and key assumptions used in determining the inventory obsolescence provision, such as inventory cost, season (Autumn Winter, Spring Summer) and period of the inventory balance, forecast terminal inventory balance and any specific slow moving or defective product lines, as well as the sensitivity of these assumptions when reviewing the appropriateness of the provision. Management are satisfied that the assumptions used and the period end provision were reasonable.

c) Useful life of Assets:
Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. The expected useful life of assets is periodically reviewed for any indications that the assets are in use for a longer or shorter period than the applied depreciation rates as stated in Note 1. Determining an asset's residual value and estimated useful life involves significant judgement, particularly in IT systems and software such as our website. Management satisfied itself that the residual values and useful economic lives are appropriate, considering the sensitivity of changes in residual value on depreciation.

d) Sales Returns:
The Company sells retail products with the right of return and experience is used to estimate and provide for the value of such returns. Management reviewed the methodology and key assumptions used in determining the sales returns provision, such as our returns policy, actual sales, actual returns % for both shops and web, and the past utilisation of the provision, as well as the sensitivity of these assumptions when reviewing the appropriateness of the provision. Management are satisfied that the assumptions used and the period end provision were reasonable.

e) Projected Cash Flows:
Projected cash flows are important in the directors' assessment of going concern and impairment. Cash flows are based on the approved budget and directors' knowledge and experience to forecast the company's future performance beyond the next financial period. The financial performance impact on cash inflows and outflows are determined by trade receivable days and trade payable days.

Notes *(continued)*

2 Turnover

The total turnover for the Group for the period has been derived solely from the principal retailing activity of its trading company, White Stuff Limited.

Analysis by geographical market	**52 weeks ended 30 April 2022 £'000**	52 weeks ended 01 May 2021 £'000
United Kingdom	**122,476**	85,265
Rest of Europe	**10,332**	8,247
Other	**804**	732
	133,612	94,244

Turnover arises from the sale of clothes, shoes and accessories through retail, online and wholesale channels.

3 Exceptional items

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
Exceptional items within administration expenses:		
Impairment loss on intangible assets (note 11)	**196**	397
Onerous lease provision (note 20)	**(695)**	(154)
Restructuring redundancy costs (note 7)	**65**	1,997
	(434)	2,240

4 Other operating income

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
Grant income	**2,831**	6,155
Rental income	**78**	53
R&D tax credit	**52**	-
	2,961	6,208

Grant income of £2,831k includes £51k (2021: £5,316k) recognised under the UK government Coronavirus Job Retention Scheme and German Kurzarbeit Short Time Work Benefit Scheme, and £2,780k (2021: £839k) received under the Small Business Rates Relief grants and German Bridge Aid. There are no unfulfilled conditions or other contingencies relating to the Grants.

Notes *(continued)*

5 Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting):

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
Amortisation of loan costs	**92**	309
Depreciation on tangible assets (note 12)	**1,764**	2,880
Amortisation on intangible assets (note 11)	**2,628**	1,369
Impairment loss on intangible assets (note 11)	**196**	397
Onerous lease provision (note 20)	**(695)**	(154)
Exceptional items (restructuring costs) within administration expenses	**65**	1,997
Hire of other assets – operating leases	**9,071**	9,044
Loss on disposal of tangible assets	**30**	59
Auditors' remuneration:		
- Audit of the Company's financial statements	**42**	41
- Audit of the Company's subsidiary pursuant to legislation	**87**	84
- Other services in relation to taxation advise	**135**	136

The remuneration of the auditors is paid by White Stuff Limited.

6 Remuneration of directors

None of the directors received any remuneration from the Company during the period. The directors' emoluments are paid by the Company's subsidiary White Stuff Limited which has the same directors as the Company.

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
Directors' remuneration	**939**	870
Contributions to defined contribution pension scheme	**18**	17
Total directors' emoluments	**957**	887

The total amount payable to the highest paid director in respect of emoluments was £435k (2021: £417k), including pension contributions of £1k (2021: £4k). The number of directors to whom pensions are accruing at the end of the period is one (2021: one).

Notes *(continued)*

7 Staff numbers and costs

The average monthly number of persons employed by the Group (including directors) during the period, analysed by category, was as follows:

	52 weeks ended 30 April 2022 No.	52 weeks ended 01 May 2021 No.
Head office	**183**	183
Warehouse	**87**	74
Retail shops	**965**	988
	1,235	1,245

The aggregate payroll costs of these persons were as follows:

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
Wages and salaries	**24,422**	24,078
Social security costs	**1,808**	1,773
Other Pension costs	**658**	688
	26,888	26,539

The aggregate payroll costs includes £65k (2021: £1,997k) restructuring redundancy costs but excludes £(51)k (2021: £(5,316)k) reduction in payroll recognised under Grant Income through the government Coronavirus Job Retention Scheme and German Kurzarbeit Short Time Work Benefit Scheme.

The Company had no employees; all employees are employed by subsidiary companies.

White Stuff Group Limited operates an Unapproved Share Option Scheme. The total share based payment charge for the period ended 30 April 2022 was £37k (2021: £(11)k credit) and £44k national insurance accrual (2021: £16k) which relates to options granted to employees over shares in the parent company White Stuff Group Limited.

8 Interest receivable and similar income

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
Bank interest	**1**	6
Foreign exchange gains on derivatives	**4,244**	-
	4,245	6

9 Interest payable and similar expenses

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
Bank interest	**389**	141
Foreign exchange loss on derivatives	**-**	2,564
	389	2,705

Notes *(continued)*

10 Tax credit on profit/(loss)

Analysis of charge in period

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
UK corporation tax		
Adjustments in respect of previous periods	**10**	13
Foreign tax suffered	**-**	2
Total current tax	**10**	15
Deferred tax (note 22)		
Origination and reversal of timing differences	**1,628**	(2,030)
Adjustments in respect of previous periods	**(11)**	150
Effect of changes in tax rates	**(842)**	-
Foreign subsidiary trading losses carried forward	**144**	(176)
Total deferred tax	**919**	(2,056)
Total tax credit per income statement	**929**	(2,041)

Factors affecting the tax charge for the current period

The current tax charge for the period is the lower (2021: higher) than the standard rate of corporation tax in the UK. The average rate is 19.00% in 2022 (2021: 19.00%). The differences are explained below.

	52 weeks ended 30 April 2022 £'000	52 weeks ended 01 May 2021 £'000
Charge for the period can be reconciled to the loss per the Profit and Loss statement as follows:		
Profit/(loss) before taxation	**8,306**	(12,989)
Current tax at 19.00% (2021: 19.00 %)	**1,578**	(2,468)
Effects of:		
Expenses not deductible	**161**	396
Income not taxable	**(10)**	(205)
Effects of overseas tax rates	**35**	74
Adjustments in respect previous periods	**-**	163
Tax rate changes	**(842)**	-
Deferred tax not provided	**7**	(2)
Total tax credit	**929**	(2,041)

The UK deferred tax asset at 30 April 2022 has been calculated based on the corporation tax rate that is expected to apply when the asset is settled.

Finance Bill 2021 enacted provisions to increase the main rate of UK corporation tax to 25% from its current rate of 19% as from the 1 April 2023. As substantive enactment occurred before the balance sheet date, deferred tax balances as at 30 September 2021 should be measured using a rate of 19% for balances expected to unwind prior to 1 April 2023 and a rate of 25% for balances expected to unwind thereafter. This compares to the prior period where all deferred tax balances were measured at a rate of 19%.

Tax credit of £23k (2021: £381k), included in the Consolidated Profit and Loss Account, on exceptional costs of £119k (2021: £2,240k) is calculated on the basis that in the UK, impairment loss on intangible assets, onerous lease provisions and restructuring costs are tax deductible at 19.0% but in Germany onerous lease provisions are not tax deductible.

Notes *(continued)*

11 Intangible assets – Group

	Goodwill	Software Development	Total
	£'000	**£'000**	**£'000**
Cost			
At 02 May 2021	110,839	10,543	121,382
Additions	-	1,335	1,335
Disposals	-	(23)	(23)
At 30 April 2022	**110,839**	**11,855**	**122,694**
Impairment			
At 02 May 2021	(70,598)	(1,783)	(72,381)
Charge for period	-	(196)	(196)
At 30 April 2022	**(70,598)**	**(1,979)**	**(72,577)**
Accumulated Amortisation			
At 02 May 2021	(40,241)	(3,582)	(43,823)
Charge for period	-	(2,628)	(2,628)
Disposals	-	23	23
At 30 April 2022	**(40,241)**	**(6,187)**	**(46,428)**
Net Book Value			
At 30 April 2022	-	**3,689**	**3,689**
At 01 May 2021	-	5,178	5,178

Goodwill relates to the acquisition of White Stuff Limited, a 100% subsidiary of White Stuff Group Limited.

Carrying amount of intangible fixed assets are reviewed for impairment when factors, events, or changes in circumstances indicate that the carrying amount of the intangible fixed asset may not be recoverable. Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the impairment of such intangible fixed assets are reviewed.

The business continues to review its' strategic priorities and following completion of a cost vs benefit analysis on the IT investment roadmap has concluded that an impairment of certain intangible assets was necessary. As a result, an impairment loss was recognised for the period ended 30 April 2022 of £196k (2021: £397k). By virtue of the size of the charge, and consistency with the prior year the charge has been recognised as exceptional.

Notes *(continued)*

12 Tangible assets - Group

	Land and buildings leasehold	Plant, machinery, fixtures and fittings	Motor vehicles	Computer equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 02 May 2021	15,554	32,662	66	10,727	59,009
Additions	-	1,616	-	68	1,684
Disposals *	(1,165)	(3,303)	-	(2,522)	(6,990)
Effects of movement in foreign exchange	(21)	(112)	-	(4)	(137)
At 30 April 2022	**14,368**	**30,863**	**66**	**8,269**	**53,566**
Accumulated Depreciation					
At 02 May 2021	(14,858)	(29,795)	(61)	(10,608)	(55,322)
Charge for period	(153)	(1,461)	-	(150)	(1,764)
Disposals *	1,162	3,276	-	2,522	6,960
Effects of movement in foreign exchange	20	105	-	4	129
At 30 April 2022	**(13,829)**	**(27,875)**	**(61)**	**(8,232)**	**(49,997)**
Net book value					
At 30 April 2022	**539**	**2,988**	**5**	**37**	**3,569**
At 01 May 2021	696	2,867	5	119	3,687

* Disposals include a write off of fully written down assets (£7.0m) with a £nil NBV, which are no longer in the business following a management review.

The carrying amount of tangible fixed assets on the Balance Sheet are dependent on the estimates of future profits and cash flows arising from the Company's operations. The key assumptions for the value used in calculating any impairment loss are regarding expected like-for-like sales growth rates to individual stores, respective impact on costs and discount rates applied to the forecast future cash flows. Management estimates discount rates using a post-tax discount rate based on the weighted average cost of capital for the Company of 13%.

In light of the ongoing economic uncertainty, management continue to reassess the impact on the retail store sales together with the ongoing mix of retail and online sales. Management have assessed and estimated future business performance and cash flow projections for its retail stores. The directors have considered indications of impairment and no impairment loss was recognised in the period (2021: £nil).

The expected retail growth in like-for-like stores sales are a source of significant estimation uncertainty and a future change to the assumption of sales growth would result in a reassessment of the value in use and could give rise to a change in the impairment recognised. A decrease of 1% to the assumed annual like-for-like forecast sales would not result in any further impairment charge in the period. An increase of 1% on the discounted rate applied would also not result in any further impairment charge in the period.

Notes *(continued)*

13 Investments – Company

	Investment in subsidiary £'000
Cost	
At beginning and end of the period	**115,061**
Impairment	
At beginning and end of the period	**(75,061)**
Net book value	
At 30 April 2022	**40,000**
At 01 May 2021	40,000

The directors have considered indications of impairment and no impairment loss was recognised in the period (2021: £nil).

Management's test involved comparing the carrying amount of investment to the recoverable amount determined from value-in-use calculations. The key assumptions for the value-in-use calculations include those regarding adjusted EBITDA, discount rates and growth rates. The value-in-use assessment included cash flow projections for the next four years using data from the Group's financial forecasts approved by the board, assumes a terminal growth rate of 2.50% beyond the projection period and a weighted average cost of capital (WACC) of 13.0% has been applied.

A sensitivity analysis has been performed using a discount rate up to 16.0% and a sensitivity of a 15.0% decrease in annual cash flow projections. Under these assumptions and sensitives no impairment exists.

The principal undertakings in which the Group's interest at the period end is more than 20% are as follows:

Subsidiary and associated undertaking	Country of incorporation	Registered office address	Principle activity	Class and percentage of shares held
White Stuff Limited	England and Wales	Canterbury Court Kennington Park 1-3 Brixton Road London SW9 6DE	Designer and retailer of women's and men's clothing and accessories.	100% ordinary shares
White Stuff (Germany) GmbH	Germany	Theresienhohe 30 c/o Panazee Consulting GmbH 80339 München Germany	Retailer of women's and men's clothing and accessories.	100% ordinary shares

When the Company acquired at least a 90% equity holding in White Stuff Limited and the shares issued in consideration were issued at a premium, merger relief was available. The directors have recorded the investment at fair value. The premium on the shares issued was classified as a merger reserve.

Notes *(continued)*

14 Stocks

	30 April 2022		01 May 2021	
	Group	**Company**	Group	Company
	£'000	**£'000**	£'000	£'000
Finished goods and goods for resale	**30,918**	-	19,827	-

There is no material difference between the replacement cost of stocks and the amounts stated above. Finished goods and goods for resale recognised as cost of sales in the period for the Group amounted to £52.5m (2021: £41.4m).

15 Debtors - due within one year

	30 April 2022		01 May 2021	
	Group	**Company**	Group	Company
	£'000	**£'000**	£'000	£'000
Trade debtors	**5,183**	-	4,114	-
Derivative financial assets [1]	**2,263**	-	-	-
Corporation tax	**42**	-	-	-
Other debtors	**2,462**	**2,208**	2,389	2,209
Prepayments and accrued income	**1,154**	-	582	-
	11,104	**2,208**	7,085	2,209

[1] Derivative assets and (liabilities) relate wholly to forward foreign exchange contracts which are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value. The change in fair value of derivatives are recognised in the Profit and Loss and the respective asset or liability on the Balance Sheet.

The Company has a foreign currency policy to enter into forward foreign currency contracts up to 24 months from the date the derivative contract is entered into. This is done to mitigate the exchange rate risk and cover the expected payment terms of stock suppliers in the respective foreign currency.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The key assumptions used in valuing the derivatives are the forward exchange rates for GBP:USD.

As at the period end, there are derivative assets £2,263k (2021: derivative liabilities £(931)k due within one year and £(207)k due after one year) due to a change in period end exchange rates and average booked forward foreign exchange contract.

Notes *(continued)*

16 Debtors - due after one year

	30 April 2022		01 May 2021	
	Group	**Company**	Group	Company
	£'000	**£'000**	£'000	£'000
Deferred tax asset	**6,014**	-	6,933	-
Derivative financial assets [1]	**843**	-	-	-
	6,857	-	6,933	-

[1] The prior year derivative assets relates to foreign exchange deals booked 13 to 24 months forward.

17 Creditors - amounts falling due within one year

	30 April 2022		01 May 2021	
	Group	**Company**	Group	Company
	£'000	**£'000**	£'000	£'000
Bank loans and overdrafts (see note 19) [1]	**5,000**	-	8,000	-
Trade creditors	**11,386**	-	13,043	-
Amounts owed to Group undertakings [2]	-	**8,785**	-	8,841
Corporation tax	**4**	**4**	14	13
Other taxation and social security	**3,116**	-	3,568	-
Other creditors	**1,231**	-	1,170	-
Derivative liabilities [3]	-	-	931	-
Accruals and deferred income	**23,171**	**56**	16,190	16
	43,908	**8,845**	42,916	8,870

[1] The £5.0m bank loan is borrowed under the Lloyds Bank £15.0m Revolving Credit Facility secured to the end of the term.

[2] Amounts owed to Group undertakings are interest free and repayable on demand.

[3] Included in total derivative liabilities is a £nil non-current liability (2021: £207k) (see note 18) which relates to foreign exchange deals booked 13 to 24 months forward and is due after more than one year.

18 Creditors - amounts falling due after one year

	30 April 2022		01 May 2021	
	Group	**Company**	Group	Company
	£'000	**£'000**	£'000	£'000
Derivative liabilities [1]	-	-	207	-
Shareholder loans [2]	**1,500**	-	-	-
	1,500	-	207	-

[1] Prior year derivative liabilities relate to foreign exchange deals booked 13 to 24 months forward and is due after more than one year. In the current year there is a derivative asset relating to foreign exchange deals booked 1 to 24 months forward.

[2] During the year (May 2021), certain Directors loaned a total of £1,500k (2021: £nil) to the Group. The loans are non-secured, non-interest bearing and repayable in accordance with the terms of the loan agreements and subordination deed between the lenders, the Company and the Company's bankers.

Notes *(continued)*

19 Borrowings

At the period end, the business held a £15.0m Revolving Credit Facility with Lloyds Bank under the Coronavirus Large Business Interruption Loan Scheme, with £10.0m until 28 May 2024 and £5.0m until 17 July 2023. All banking facility covenants have been complied with and continue to be complied with and at the period end the business had drawn down £5.0m under its facilities (2021: £8.0m) and £10.0m (2021: £7m) remained unutilised.

Since the period end, a further £3.0m has been drawn down to cover short-term working capital requirements, leaving £7.0m unutilised. Interest is charged on the borrowings at a margin plus base rate.

On 14 October 2022, the business signed a new £15.0m Revolving Credit Facility with Lloyds Bank that expires on 30 November 2024. This replaced the existing £15.0m Revolving Credit Facility.

During the year (May 2021), shareholders including members of the executive invested a further £1.5m into the business through a shareholder loan agreement.

20 Provisions for liabilities

	Onerous lease provision	Property provision	Other provisions	Total
	£'000	£'000	£'000	£'000
At 02 May 2021	2,321	2,005	204	4,530
Utilised during the period	(660)	(150)	-	(810)
Charge to the Profit and Loss account	-	907	430	1,337
Effects of movement in foreign exchange	(34)	-	-	(34)
At 30 April 2022	**1,627**	**2,762**	**634**	**5,023**

Onerous lease provision is for loss making stores which have been provided for to the lease end or break date, the provision is expected to be utilised over the life of the related leases.

The key assumptions for the value used in calculating any onerous lease provision are regarding expected like-for-like sales growth rates to individual stores, respective impact on costs and discount rates applied to the forecast future cash flows. Management estimates discount rates using a risk-free rate for the Company of 2.07% (2021: 1.29%).

As a result, no new onerous lease provision was recognised for the period ended 30 April 2022 (2021: £470k) and a £(660)k credit was utilised in the year relating to prior year onerous leases (2021: £(606)k). By virtue of the size of the charge and consistent with the prior year, the net charge/(credit) has been recognised as exceptional.

The expected retail growth in like-for-like stores sales are a source of significant estimation uncertainty and a future change to the assumption of sales growth would result in a reassessment of the value in use and could give rise to a change in the impairment recognised. A decrease of 1% to the assumed annual like-for-like forecasted sales would result in a further onerous lease charge of £77k in the period.

The property provision is for landlord repairs and dilapidations to be utilised over the next 24 months. Other provisions comprise a number of liabilities with varying expected utilisation rates.

Notes *(continued)*

21 Financial instruments

	30 April 2022 Group £'000	30 April 2022 Company £'000	01 May 2021 Group £'000	01 May 2021 Company £'000
Financial assets that are debt instruments measured at amortised cost:				
- Trade debtors (note 15)	**5,183**	**-**	4,114	-
- Other debtors (note 15)	**2,462**	**2,208**	2,389	2,209
	7,645	**2,208**	6,503	2,209
Financial assets and liabilities measured at fair value through profit and loss:				
- Derivative financial assets/(liabilities) (notes 15, 16, 17, 18)	**3,106**	**-**	(1,138)	-
	3,106	**-**	(1,138)	-
Financial liabilities measured at amortised cost:				
- Bank loans and overdrafts (note 17, 19)	**(5,000)**	**-**	(8,000)	-
- Trade creditors (note 17)	**(11,386)**	**-**	(13,043)	-
- Other creditors (note 17)	**(1,231)**	**-**	(1,170)	-
	(17,617)	**-**	(22,213)	-

22 Deferred tax

The deferred tax asset relates to the following:

	30 April 2022 Group £'000	30 April 2022 Company £'000	01 May 2021 Group £'000	01 May 2021 Company £'000
Fixed asset timing differences	**1,713**	**-**	1,688	-
Foreign subsidiary trading losses	**849**	**-**	993	-
Short term timing differences - trading	**(533)**	**-**	268	-
Losses	**3,965**	**-**	3,974	-
R&D expenditure credit	**20**	**-**	10	-
Deferred tax asset	**6,014**	**-**	6,933	-

Deferred tax has been calculated at the tax rates expected to apply in periods in which timing differences reverse, based on tax rates and laws enacted at the Balance Sheet date.

There is an unrecognised deferred tax asset of £150k (2021: £104k) relating to employee share schemes.

Notes *(continued)*

23 Called up share capital

	30 April 2022	01 May 2021
	£	£
Allotted and called up		
300,000 (2021: 300,000) Ordinary shares of £0.001 each	**300**	300
14,500 (2021: 14,500) Ordinary 'A' shares of £0.001 each	**14**	15
71,772 (2021: 71,272) Ordinary 'B' shares of £0.001 each	**72**	71
372,800 (2021: 372,800) ordinary 'C' shares of £0.00001 each	**4**	4
	390	390

The Company is authorised to issue a total of 300,000 Ordinary shares of £0.001 each, 85,772 Ordinary A and B shares of £0.001 each and 372,800 Ordinary C shares of £0.00001 each.

At the Balance Sheet date, all shares were fully paid (2021: all shares fully paid).

Certain senior management of White Stuff Limited holds A or B Ordinary shares in White Stuff Group Limited. The Articles of Association of White Stuff Group Limited define 'Good leavers' and 'Bad Leavers' where a Bad Leaver is an employee shareholder leaving the business because of voluntary resignation or whose employment has been terminated without breach of their contract of employment. All other employee-shareholders leaving the business are Good Leavers. On leaving the business, the Articles require that B Ordinary shares are surrendered at the Bad Leaver price, being lower of the fair value and the subscription price. Good leavers holding A ordinary shares are required to surrender them at the higher of the subscription price or the price formula set out in the Company's Articles reflecting the continued growth of the business. Bad leavers holding A ordinary shares are required to surrender them at the Bad Leaver price.

As at 30 April 2022, the Company operated an Unapproved Share Option Scheme ("USOP") and a Joint Share Ownership Plan ("JSOP"). Under the USOP, selected employees are granted options over shares in the company which can only be exercised when the company floats or when there is a change in control of the Company, or, where options have been granted by virtue of length of service, on the third anniversary of the date of grant. This plan has been accounted for in Share Based Payments charge. Under the JSOP, selected employees acquire an interest in shares which is held jointly with the trustee of the company's employee benefit trust. The value of the shares over an agreed hurdle rate accrues to the participating employee, while the trustee retains the right to the share value up to the hurdle rate value.

The Company has established an Employee Benefit Trust for the purpose of facilitating the transfer of shares for the benefit of employees of the Group including the settlement of awards granted under its share incentive schemes, details of which can be found in note 24. The trust acquired the shares at the market value at the date of acquisition. The trustee is VG Corporate Trustees Limited and is resident in Jersey. At the Balance Sheet date, 64,337 B Ordinary shares and 372,800 C Ordinary shares were held by the Trust (2021: 63,837 B Ordinary shares and 372,800 C Ordinary shares), including 50,375 B Ordinary shares (2021: 50,375) held under the terms of the JSOP scheme.

When share incentives are awarded to employees, the fair value of the incentive at the date of grant is charged to the income statement over the vesting period. Certain awards carry a vesting condition that is contingent on an exit event (such as the sale of the Company or a change of control). In these cases, management use their best estimate of the expected vesting period at the end of each reporting date. The fair value of the incentive granted is measured using the Black Scholes option pricing model, taking into account the terms and conditions upon which the options were granted.

Volatility was determined by reference to the historical volatility of a group of similar companies listed on the London Stock Exchange over a period that is generally commensurate with the expected term of the option. The expected term is the expected period of time between the grant date and the date the options will be exercised. The options have no performance conditions attached. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

Notes *(continued)*

24 Share based payments

The total share based payments charge in the Profit and Loss account for the period ended 30 April 2022 was a £37k (2021: £(11)k credit) which has been recognised in the White Stuff Limited Profit and Loss account, being the company for which employees provide the services.

The number and weighted average exercise prices of share options for the Unapproved Share Option Scheme B during the period were as follows:

	30 April 2022		01 May 2021	
	Weighted average exercise price per share £	**Number of options**	Weighted average exercise price per share £	Number of options
Outstanding at the beginning of the period	**1.00**	**16,918**	88.98	17,130
Granted during the period	**1.00**	**661**	1.00	21,651
Forfeited/cancelled during the period	**1.00**	**(1,322)**	69.93	(21,863)
Outstanding at the end of the period	**1.00**	**16,257**	1.00	16,918

The number and weighted average exercise prices of share options for the Unapproved Share Option Scheme C during the period were as follows:

	30 April 2022		01 May 2021	
	Weighted average exercise price per share £	**Number of options**	Weighted average exercise price per share £	Number of options
Outstanding at the beginning of the period	**0.54**	**227,500**	0.53	388,950
Granted during the period	**-**	**-**	-	-
Forfeited/cancelled during the period	**0.51**	**(52,500)**	0.53	(161,450)
Outstanding at the end of the period	**0.55**	**175,000**	0.53	227,500

Notes *(continued)*

24 Share based payments *(continued)*

The number and weighted average exercise prices of share options for the Joint Share Ownership Plan during the period were as follows:

	30 April 2022		01 May 2021	
	Weighted average exercise price per share £	**Number of options**	Weighted average exercise price per share £	Number of options
Outstanding at the beginning of the period	**1.00**	**50,375**	72.53	30,532
Granted during the period	-	-	1.00	50,375
Forfeited/cancelled during the period	-	-	72.53	(30,532)
Outstanding at the end of the period	**1.00**	**50,375**	1.00	50,375

The Company did not enter into any share-based payment transactions with parties other than employees during the current or prior period.

The following information is relevant in the determination of the fair value of the incentives granted under the equity-settled share based remuneration schemes operated by White Stuff Group Limited.

	USOP B	**USOP C**	**JSOP**
Weighted average fair value of options at the measurement date	£0.78	£0.18	£0.78
Weighted average share price	£1.00	£0.68	£1.00
Weighted average exercise price	£1.00	£0.54	£1.00
Weighted average option life	4.72 years	3 years	8.13 years
Expected volatility	61% - 110%	20%- 30%	110.00%
Expected dividends	0.00%	0.00%	0.00%
Risk free interest rate	0.08% - 0.815%	0.45% - 0.95%	0.08%

The options and JSOPS outstanding at the period end have an exercise price in the range of £0.42 to £2.11 and a weighted average remaining contractual life of 3.3 years.

Notes *(continued)*

25 Commitments

a) Capital commitments at the end of the financial period for which no provision has been made, are as follows:

	30 April 2022		01 May 2021	
	Group	**Company**	Group	Company
	£'000	**£'000**	£'000	£'000
Contracted but not provided for	**476**	**-**	251	-

b) Annual commitments under non-cancellable operating leases are as follows:

	Land and Buildings	**Land and Buildings**	Land and Buildings	Land and Buildings
	30 April 2022		01 May 2021	
	Group	**Company**	Group	Company
	£'000	**£'000**	£'000	£'000
Other operating leases expiring:				
- within one year	**655**	**-**	610	-
- in two to five years	**24,203**	**-**	26,701	-
- after five years	**8,045**	**-**	15,752	-
	32,903	**-**	43,063	-

Total operating leases charges through the Profit and Loss during 2022 amounts to £10,515k (2021: £11,676k).

26 Pension scheme

The Company has operated a defined contribution pension scheme open to qualifying employees since May 2010. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge amounted to £658k (2021: £688k). There were outstanding contributions of £nil at the end of the financial period (2021: £nil). During the year £nil was receivable from the government under the Coronavirus Job Retention Scheme (2021: £32k).

Notes *(continued)*

27 Related party disclosures

During the period the Group paid £526k (2021: £140k) in respect of shop-fitting services to a company (Workshop Limited) associated with a family member of one director (S G Thomas).

During the period, the Group generated charitable donations of £177k for the White Stuff Foundation (2021: ££274k) through a combination of direct charitable donations, fundraising initiatives carried out by our shops and employees, which are collected on behalf of the Foundation, and gifts in kind.

Total compensation of key management personnel (including the directors) in the period amounted to £1,644k (2021: £1,797k).

Loans to directors:
At the period end, J V Jenkins had an outstanding loan for £111k from the Group (2021: £111k), N C H Mather had an outstanding loan for £11k from the Group (2021: £11k) and A D M Hewitt had an outstanding loan for £8k from the Group (2021: £8k). The loans are non-interest bearing and are repayable in accordance with the terms of the loan agreement between the individuals and the Group.

Loans from directors:
During the period, certain directors loaned a total of £1,500k to the Group, in a proportion linked to their respective shareholding in the Group. The loans are non-secured, non-interest bearing and repayable in accordance with the terms of the loan agreements and subordination deed between the lenders, the Group and the Group's bankers.

The Group has utilised the exemption under FRS 102 not to disclose any transactions with its subsidiary White Stuff Limited.

Transactions between the Group and its subsidiary, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

28 Post Balance Sheet Events

At the period end, £5.0m was drawn down under the Revolving Credit Facility with Lloyds Bank. Since the period end, a further £3.0m has been drawn down to cover short-term working capital requirements, leaving £7.0m unutilised.

On 14 October 2022, the business signed a new £15.0m Revolving Credit Facility with Lloyds Bank that expires on 30 November 2024. This replaced the existing £15.0m Revolving Credit Facility. Interest is charged on the borrowings at a margin plus base rate.