

**Company Registration No. 07200046 (England and Wales)**

**Gozney Group Limited**

**Annual report and  
group financial statements  
for the year ended 31 March 2023**

**Gozney Group Limited**

**Company information**

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<b>Directors</b>	Thomas Gozney Laura Gozney Simon Henderson Richard Bannister Patrick Bruce Jr Mark Kosiba
<b>Company number</b>	07200046
<b>Registered office</b>	Bobby's Third Floor 2-12 Commercial Road Bournemouth BH2 5LP
<b>Independent auditor</b>	Saffery LLP Midland House 2 Poole Road Bournemouth Dorset BH2 5QY

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**Gozney Group Limited**

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## **Gozney Group Limited**

### **Strategic report**

**For the year ended 31 March 2023**

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

#### **Fair review of the business**

The principal activities of the business are to design, market and sell pizza ovens and other ancillaries and accessories for home and restaurant use.

The year ending in March 2023 has been another year of strong growth for the group. Gozney has increased annual revenues by 6.2.0% to £44,187,227 compared to 2022 revenues of £27,282,937. The strong growth has been driven by global expansion into wholesale, brand strength and awareness, and continued efforts in product innovation and market placement.

The group has invested significant resources into product development during the year ended March 2023. The group has refined its go-to-market approach lead by key senior management and is primed to launch multiple pizza oven products during the 2024 fiscal year aligned with marketing and sales teams to maximize the opportunity in the market.

The year ending March 2023 was the groups first full year selling products into wholesale channels both in the UK and US markets. As expected, the group was successful in building strong relationships with key wholesale partners driving substantial growth in this channel in its first full year. Wholesale sales accounted for approximately 31% of the overall revenue for the year ended March 2023. The group feels confident that localized sales teams will allow for continued rapid growth in this channel in future years which is aligned with the groups long-term strategy.

In the year ending March 2023, Gozney continued to realize benefit from the substantial investment in Global Supply Chain and logistics infrastructure in prior years. The group realized gross margins of 11.9% which was an decrease of 2.1% from the prior year.

Gozney continued investing in team resources as well as marketing efforts to drive brand awareness throughout the year ended March 2023. The intentional expansion in team, marketing, and other overhead spend has driven the results expected by senior management. For the year ended March 2023, the group is reporting a pre-tax loss of £9,085,581 compared to £3,916,982 in the prior year, respectively. The group believes these investments in the business will begin to drive accelerated growth opportunities and increased profitability in future years.

#### **Principal risks and uncertainties**

The company's senior management regularly monitor the risk levels to ensure that risks are within acceptable levels. Management has determined that the principal risks to the business are macroeconomic factors facing the company.

With the global growth during the year ended March 2023, foreign exchange risk is a risk factor monitored by the group. Whilst the group is exposed to transactional exchange risk, there remains a natural hedge that mitigates the exposure, with US dollar income used to purchase stock supporting the US channel.

#### **Key performance indicators**

The Directors monitor the performance of the Group using the following Key Performance Indicators (KPI's):

Turnover increase was +162% (2022: +111%) with growth driven by growth in the wholesale channel, increased global brand recognition, and overall growth in the outdoor cooking market.

Gross profit as a percentage of turnover as 12% (2022: 14%). Ongoing investments in product quality, implementing a direct team overseeing manufacturing, wholesale marketing partnerships, and increasing production capacity improved performance in the current year but this was offset by unprecedented increases in inbound and outbound freight rates throughout the year. The directors are pleased to report these cost pressures have unwound into 2023 and expect to demonstrate significant improvements as a result.

**Gozney Group Limited**

**Strategic report (continued)**

**For the year ended 31 March 2023**

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Operating Margin as a percentage of turnover was -18.6% (2022: -13%) driven by intentional investments in team and marketing. The cost of these investments is creating the foundation for the group to accelerate future growth and expansion into Wholesale and Distribution channels as well as supporting meaningful product innovation to position Gozney in a prime position to maximize growth opportunities in the market.

Stock Turnover was 4.0 times (2022: 3.7 times) driven by an investment in resources to improve the accuracy and detail of demand forecasting.

On behalf of the board

Richard Bannister

**Director**

22 December 2023

## **Gozney Group Limited**

### **Directors' report**

**For the year ended 31 March 2023**

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

#### **Principal activities**

The principal activity of the group is that of the sale of pizza ovens and associated ancillaries and accessories.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Thomas Gozney  
Laura Gozney  
Simon Henderson  
Richard Bannister  
Patrick Bruce Jr  
Mark Kosiba

#### **Results and dividends**

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### **Economic environment and going concern**

The groups operations continue to be subject to fluctuations in both global and local economic market conditions, which may have a material effect on the group's business, results of operations, and financial condition.

Further, the groups senior leadership understands the pressure that a high inflationary trend has on its customers and valued partners own business operations. These market uncertainties and risks are reviewed by leadership on a regular and ongoing basis to both mitigate any direct risk to the business and support our customers through these times.

In light of the current uncertainties in the market, the group continues to benefit from strong growth and demand. The group has assessed the financial requirements of the business and has concluded that the business has adequate working capital and resources to continue trade through this period.

#### **Auditor**

The auditor, Saffery LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Strategic report**

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the group is aware of that information.

On behalf of the board

Richard Bannister  
**Director**

22 December 2023

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**Gozney Group Limited**

**Directors' responsibilities statement  
For the year ended 31 March 2023**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the 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 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. They are also 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.

## **Gozney Group Limited**

### **Independent auditor's report To the members of Gozney Group Limited**

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#### **Opinion**

We have audited the financial statements of Gozney Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent company's affairs as at 31 March 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

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

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

We have nothing to report in this regard.



**Gozney Group Limited**

**Independent auditor's report (continued)**  
**To the members of Gozney Group Limited**

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**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

## **Gozney Group Limited**

### **Independent auditor's report (continued) To the members of Gozney Group Limited**

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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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

#### **Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors and by updating our understanding of the sector in which the group and parent company operates.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006 and UK Tax legislation.

#### **Audit response to risks identified**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

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

**Gozney Group Limited**

**Independent auditor's report (continued)**  
**To the members of Gozney Group Limited**

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**Roger Wareham (Senior Statutory Auditor)**  
**For and on behalf of Saffery LLP**

22 December 2023

**Chartered Accountants**  
**Statutory Auditors**

Midland House  
2 Poole Road  
Bournemouth  
Dorset  
BH2 5QY

**Gozney Group Limited**

**Group statement of comprehensive income**  
**For the year ended 31 March 2023**

		2023	2022
	Notes	£	£
<b>Turnover</b>	<b>3</b>	44,187,227	27,282,937
Cost of sales		(38,908,114)	(23,471,333)
<b>Gross profit</b>		5,279,113	3,811,604
Administrative expenses		(13,516,579)	(7,370,357)
<b>Operating loss</b>	<b>4</b>	(8,237,466)	(3,558,753)
Interest payable and similar expenses	<b>8</b>	(848,115)	(358,229)
<b>Loss before taxation</b>		(9,085,581)	(3,916,982)
Tax on loss	<b>9</b>	108,069	176,317
<b>Loss for the financial year</b>	<b>21</b>	(8,977,512)	(3,740,665)
<b>Other comprehensive income</b>			
Currency translation (loss)/gain taken to retained earnings		(29,826)	30,215
<b>Total comprehensive income for the year</b>		(9,007,338)	(3,710,450)

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

**Gozney Group Limited**

**Group statement of financial position  
As at 31 March 2023**

			2023	2022
	Notes	£	£	£
<b>Fixed assets</b>				
Intangible assets	10		450,598	345,332
Tangible assets	11		885,988	703,502
			<u>1,336,586</u>	<u>1,048,834</u>
<b>Current assets</b>				
Stocks	13	9,080,739	10,326,370	
Debtors	14	4,980,846	3,740,171	
Cash at bank and in hand		1,206,712	1,353,874	
		<u>15,268,297</u>	<u>15,420,415</u>	
<b>Creditors: amounts falling due within one year</b>	15	(15,852,899)	(7,912,369)	
<b>Net current (liabilities)/assets</b>			<u>(584,602)</u>	<u>7,508,046</u>
<b>Total assets less current liabilities</b>			<u>751,984</u>	<u>8,556,880</u>
<b>Creditors: amounts falling due after more than one year</b>	16	(3,964,741)	(5,047,225)	
<b>Net (liabilities)/assets</b>			<u>(3,212,757)</u>	<u>3,509,655</u>
<b>Capital and reserves</b>				
Called up share capital	20		159	154
Share premium account	21		10,827,411	8,542,490
Profit and loss reserves	21		(14,040,327)	(5,032,989)
<b>Total equity</b>			<u>(3,212,757)</u>	<u>3,509,655</u>

The financial statements were approved by the board of directors and authorised for issue on 22 December 2023 and are signed on its behalf by:

Richard Bannister  
**Director**

**Company Registration No. (England and Wales)**

**Gozney Group Limited**

**Company statement of financial position  
As at 31 March 2023**

			2023	2022
	Notes	£	£	£
<b>Fixed assets</b>				
Intangible assets	10		450,598	345,332
Tangible assets	11		885,988	703,502
			<u>1,336,586</u>	<u>1,048,834</u>
<b>Current assets</b>				
Stocks	13	5,378,496	6,742,825	
Debtors	14	7,218,688	6,323,981	
Cash at bank and in hand		934,916	769,267	
		<u>13,532,100</u>	<u>13,836,073</u>	
<b>Creditors: amounts falling due within one year</b>	15	(12,602,172)	(6,656,050)	
<b>Net current assets</b>			<u>929,928</u>	<u>7,180,023</u>
<b>Total assets less current liabilities</b>			<u>2,266,514</u>	<u>8,228,857</u>
<b>Creditors: amounts falling due after more than one year</b>	16	(3,964,741)	(5,047,225)	
<b>Net (liabilities)/assets</b>			<u>(1,698,227)</u>	<u>3,181,632</u>
<b>Capital and reserves</b>				
Called up share capital	20		159	154
Share premium account	21		10,827,411	8,542,490
Profit and loss reserves	21		(12,525,797)	(5,361,012)
<b>Total equity</b>			<u>(1,698,227)</u>	<u>3,181,632</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £7,164,785 (2022 - £4,129,172 loss).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 22 December 2023 and are signed on its behalf by:

Richard Bannister  
**Director**

**Company Registration No. (England and Wales)**

**Gozney Group Limited**

**Group statement of changes in equity  
For the year ended 31 March 2023**

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
<b>Balance at 1 April 2021</b>	142	2,862,257	(1,322,539)	1,539,860
<b>Year ended 31 March 2022:</b>				
Loss for the year	-	-	(3,740,665)	(3,740,665)
Other comprehensive income:				
Currency translation differences	-	-	30,215	30,215
Total comprehensive income	-	-	(3,710,450)	(3,710,450)
Issue of share capital	20	5,680,233	-	5,680,245
<b>Balance at 31 March 2022</b>	154	8,542,490	(5,032,989)	3,509,655
<b>Year ended 31 March 2023:</b>				
Loss for the year	-	-	(8,977,512)	(8,977,512)
Other comprehensive income:				
Currency translation differences	-	-	(29,826)	(29,826)
Total comprehensive income	-	-	(9,007,338)	(9,007,338)
Issue of share capital	20	2,284,921	-	2,284,926
<b>Balance at 31 March 2023</b>	159	10,827,411	(14,040,327)	(3,212,757)

**Gozney Group Limited**

**Company statement of changes in equity  
For the year ended 31 March 2023**

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 April 2021</b>		142	2,862,257	(1,231,840)	1,630,559
<b>Year ended 31 March 2022:</b>					
Loss and total comprehensive income for the year		-	-	(4,129,172)	(4,129,172)
Issue of share capital	<b>20</b>	12	5,680,233	-	5,680,245
<b>Balance at 31 March 2022</b>		154	8,542,490	(5,361,012)	3,181,632
<b>Year ended 31 March 2023:</b>					
Profit and total comprehensive income		-	-	(7,164,785)	(7,164,785)
Issue of share capital	<b>20</b>	5	2,284,921	-	2,284,926
<b>Balance at 31 March 2023</b>		159	10,827,411	(12,525,797)	(1,698,227)



**Gozney Group Limited**

**Group statement of cash flows**  
**For the year ended 31 March 2023**

		2023	2022
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash absorbed by operations	25	(4,535,524)	(11,252,007)
Interest paid		(848,115)	(358,229)
Income taxes (paid)/refunded		(346)	57,988
<b>Net cash outflow from operating activities</b>		<b>(5,383,985)</b>	<b>(11,552,248)</b>
<b>Investing activities</b>			
Purchase of intangible assets		(201,933)	(72,631)
Purchase of tangible fixed assets		(554,559)	(359,920)
<b>Net cash used in investing activities</b>		<b>(756,492)</b>	<b>(432,551)</b>
<b>Financing activities</b>			
Proceeds from issue of shares		2,284,926	5,680,245
Issue of debentures		2,332,991	3,770,017
Repayment of bank loans		-	(521,917)
<b>Net cash generated from financing activities</b>		<b>4,617,917</b>	<b>8,928,345</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1,522,560)</b>	<b>(3,056,454)</b>
Cash and cash equivalents at beginning of year		(1,459,441)	1,564,711
Effect of foreign exchange rates		(43,726)	32,302
<b>Cash and cash equivalents at end of year</b>		<b>(3,025,727)</b>	<b>(1,459,441)</b>
<b>Relating to:</b>			
Cash at bank and in hand		1,206,712	1,353,874
Bank overdrafts included in creditors payable within one year		(4,232,439)	(2,813,315)

## **Gozney Group Limited**

### **Notes to the financial statements For the year ended 31 March 2023**

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#### **1 Accounting policies**

##### **Company information**

Gozney Group Limited ("the company") is a private company limited by shares incorporated in England and Wales. The registered office is Units 18 & 19 Christchurch Business Park, Radar Way, Christchurch, Dorset, BH23 4FL.

The group consists of Gozney Group Limited and all of its subsidiaries.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The consolidated group financial statements consist of the financial statements of the parent company Gozney Group Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## Gozney Group Limited

### Notes to the financial statements (continued)

For the year ended 31 March 2023

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#### 1 Accounting policies (continued)

##### 1.2 Going concern

The directors have assessed the financial position of the group and concluded it is appropriate to prepare the financial statements on a going concern basis.

Since the balance sheet date the significant investment in management team, supply chain infrastructure, sales channels and marketing have all made a positive impact to the growth and profitability of the business as planned. The Board is of the opinion that the group has access to adequate working capital facilities, existing shareholders and existing lenders who continue to support the business at its current level.

The group is at advanced stages of securing its next round of debt and equity investment to fund the substantial growth forecast for the group which is expected to deliver profitability in future years. Term sheets have been received along with equity investment interest which are currently being considered by the Board. The expectation is that this new funding will be in place by the end of January 2024.

##### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for pizza ovens and associated accessories sold, as well as the services provided in the normal course of business to install and deliver the products, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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

##### 1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

##### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	4 years
Intellectual property	10 years
Website costs	25% straight line

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

## Gozney Group Limited

### Notes to the financial statements (continued)

For the year ended 31 March 2023

#### 1 Accounting policies (continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	4% straight line
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

#### 1.7 Fixed asset investments

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

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

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

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**1 Accounting policies (continued)**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.9 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**1.10 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.11 Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

**1 Accounting policies (continued)**

***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Classification of financial liabilities***

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

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

**1.12 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

**1.13 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**1 Accounting policies (continued)**

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.15 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.16 Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

The expense in relation to options over the parent company's shares granted to employees of a subsidiary is recognised by the company as a capital contribution, and presented as an increase in the company's investment in that subsidiary.

**1.17 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**Gozney Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2023**

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**1 Accounting policies (continued)**

**1.18 Foreign exchange**

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

**2 Critical accounting judgements and key sources of estimation uncertainty**

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

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

**Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Stock provisioning**

The directors continuously monitor the company's stock levels and aging to maintain a reasonable stock provision. The provision is the directors' best estimate and is based on judgements surrounding the future saleability of stock lines.

**Depreciation and amortisation**

Depreciation and amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset of its expected useful life. The useful life of each category of assets is a judgement made by the directors using assumptions based upon historical experience and current trends.

**3 Turnover**

	2023	2022
	£	£
<b>Turnover analysed by class of business</b>		
Product sales	44,187,227	27,282,937

No detailed geographical split of turnover has been given as, in the opinion of the directors; it would be seriously prejudicial to the group.



**Gozney Group Limited****Notes to the financial statements (continued)**  
**For the year ended 31 March 2023****4 Operating loss**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Operating loss for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(167,394)	179,349
Research and development costs	154,660	127,595
Depreciation of owned tangible fixed assets	372,073	253,305
Amortisation of intangible assets	96,667	107,530
Operating lease charges	225,671	103,950
	<b>=====</b>	<b>=====</b>

**5 Auditor's remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	33,000	21,000
	<b>=====</b>	<b>=====</b>

**6 Employees**

The average monthly number of persons (including directors) employed by the group and company during the year was:

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
Board	6	5	5	5
Marketing	12	10	8	9
Sales	10	4	3	3
Customer Experience	9	3	6	2
Operations	16	9	8	8
Finance/HR	9	7	9	7
Design	8	5	8	5
	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>
Total	70	43	47	39
	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Gozney Group Limited****Notes to the financial statements (continued)****For the year ended 31 March 2023****6 Employees (continued)**

Their aggregate remuneration comprised:

	<b>Group</b>	<b>2022</b>	<b>Company</b>	<b>2022</b>
	<b>2023</b>		<b>2023</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	3,928,795	1,954,027	1,884,925	1,572,195
Social security costs	430,542	235,767	244,724	172,663
Pension costs	163,406	76,877	61,212	64,336
	<u>4,522,743</u>	<u>2,266,671</u>	<u>2,190,861</u>	<u>1,809,194</u>

**7 Directors' remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	394,250	233,050
Company pension contributions to defined contribution schemes	3,312	18,143
	<u>397,562</u>	<u>251,193</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2022: 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	177,040	111,845
Company pension contributions to defined contribution schemes	-	15,143
	<u>177,040</u>	<u>126,988</u>

**8 Interest payable and similar expenses**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Interest on bank overdrafts and loans	848,115	358,229
	<u>848,115</u>	<u>358,229</u>

**Gozney Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2023**

**9 Taxation**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	(163,000)	(169,585)
Adjustments in respect of prior periods	54,585	(7,524)
	<u>(108,415)</u>	<u>(177,109)</u>
Total UK current tax	(108,415)	(177,109)
Foreign current tax on profits for the current period	346	-
Adjustments in foreign tax in respect of prior periods	-	792
	<u>(108,069)</u>	<u>(176,317)</u>
Total current tax	<u><u>(108,069)</u></u>	<u><u>(176,317)</u></u>

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Loss before taxation	(9,085,581)	(3,916,982)
	<u><u>(9,085,581)</u></u>	<u><u>(3,916,982)</u></u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(1,726,260)	(744,227)
Tax effect of expenses that are not deductible in determining taxable profit	333	1,970
Change in unrecognised deferred tax assets	1,797,427	1,023,617
Permanent capital allowances in excess of depreciation	(47,105)	(26,782)
Research and development tax credit	-	(129,610)
Other permanent differences	(24,049)	(124,968)
Under/(over) provided in prior years	54,585	(6,732)
Surrender of losses for R&D tax credit	(163,000)	(169,585)
	<u>(108,069)</u>	<u>(176,317)</u>
Taxation credit	<u><u>(108,069)</u></u>	<u><u>(176,317)</u></u>

**Gozney Group Limited**

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2023**

**10 Intangible fixed assets**  
**Group**

	Software	Intellectual property	Website costs	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2022	61,195	334,757	302,089	698,041
Additions	7,672	148,337	45,924	201,933
At 31 March 2023	68,867	483,094	348,013	899,974
<b>Amortisation and impairment</b>				
At 1 April 2022	48,327	75,123	229,259	352,709
Amortisation charged for the year	7,094	40,598	48,975	96,667
At 31 March 2023	55,421	115,721	278,234	449,376
<b>Carrying amount</b>				
At 31 March 2023	13,446	367,373	69,779	450,598
At 31 March 2022	12,868	259,634	72,830	345,332

**Company**

	Software	Intellectual property	Website costs	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2022	61,195	334,757	302,089	698,041
Additions	7,672	148,337	45,924	201,933
At 31 March 2023	68,867	483,094	348,013	899,974
<b>Amortisation and impairment</b>				
At 1 April 2022	48,327	75,123	229,259	352,709
Amortisation charged for the year	7,094	40,598	48,975	96,667
At 31 March 2023	55,421	115,721	278,234	449,376
<b>Carrying amount</b>				
At 31 March 2023	13,446	367,373	69,779	450,598
At 31 March 2022	12,868	259,634	72,830	345,332

**Gozney Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2023**

**11 Tangible fixed assets**

<b>Group</b>	<b>Land and buildings Freehold</b>	<b>Plant and machinery</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2022	25,342	1,438,299	211,528	1,675,169
Additions	8,619	487,928	58,012	554,559
At 31 March 2023	33,961	1,926,227	269,540	2,229,728
<b>Depreciation and impairment</b>				
At 1 April 2022	15,812	796,774	159,081	971,667
Depreciation charged in the year	6,344	339,386	26,343	372,073
At 31 March 2023	22,156	1,136,160	185,424	1,343,740
<b>Carrying amount</b>				
At 31 March 2023	11,805	790,067	84,116	885,988
At 31 March 2022	9,530	641,525	52,447	703,502
<b>Company</b>	<b>Land and buildings Freehold</b>	<b>Plant and machinery</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2022	25,342	1,438,299	211,528	1,675,169
Additions	8,619	487,928	58,012	554,559
At 31 March 2023	33,961	1,926,227	269,540	2,229,728
<b>Depreciation and impairment</b>				
At 1 April 2022	15,812	796,774	159,081	971,667
Depreciation charged in the year	6,344	339,386	26,343	372,073
At 31 March 2023	22,156	1,136,160	185,424	1,343,740
<b>Carrying amount</b>				
At 31 March 2023	11,805	790,067	84,116	885,988
At 31 March 2022	9,530	641,525	52,447	703,502

**Gozney Group Limited**

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2023**

**12 Subsidiaries**

Details of the company's subsidiaries at 31 March 2023 are as follows:

<b>Name of undertaking</b>	<b>Country of incorporation</b>	<b>Nature of business</b>	<b>Class of shares held</b>	<b>% Held</b>	<b>Indirect</b>
				<b>Direct</b>	
Gozney Inc.	USA	Sale of Pizza Ovens	Ordinary	100.00	-

Registered office addresses:

1 Gozney Inc, 2700 Rasmussen Rd L-50, Park City, UT 84098

Subsequent to the year end the group incorporated a new wholly owned subsidiary, Gozney Australia Pty Ltd, a company registered in Australia.

**13 Stocks**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Finished goods and goods for resale	9,080,739	10,326,370	5,378,496	6,742,825

**14 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	3,840,995	716,668	982,576	262,077
Corporation tax recoverable	278,000	169,585	278,000	169,585
Amounts owed by group undertakings	-	-	5,279,019	3,099,419
Other debtors	384,704	590,721	384,704	590,721
Prepayments and accrued income	314,675	2,100,725	131,917	2,039,707
	4,818,374	3,577,699	7,056,216	6,161,509
Deferred tax asset (note 17)	162,472	162,472	162,472	162,472
	4,980,846	3,740,171	7,218,688	6,323,981

**Gozney Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2023**

**15 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	4,232,439	2,813,315	4,108,882	2,813,315
Other borrowings	3,380,475	-	3,380,475	-
Trade creditors	3,095,609	2,247,135	2,030,650	1,821,756
Other taxation and social security	585,942	992,099	322,045	480,599
Other creditors	1,161,872	411,870	776,421	320,701
Accruals and deferred income	3,396,562	1,447,950	1,983,699	1,219,679
	<u>15,852,899</u>	<u>7,912,369</u>	<u>12,602,172</u>	<u>6,656,050</u>

Bank loans and overdrafts represents trade finance loans on which interest is payable at 3.15%.

Other borrowings represents loan notes issued in the year on which interest is charged at 15% and another loan on which interest accrues daily at a rate of 14% per annum payable on a quarterly basis.

The loans are secured by means of a fixed and floating charge over all property and undertakings of the company.

**16 Creditors: amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Debenture loans	3,964,741	5,012,225	3,964,741	5,012,225
Other creditors	-	35,000	-	35,000
	<u>3,964,741</u>	<u>5,047,225</u>	<u>3,964,741</u>	<u>5,047,225</u>

Included in debenture loans are loan notes of £3,680,000 on which interest accrues at 8% per annum and is rolled up into the loan note balance on a 6 monthly basis.

**17 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	<b>Assets</b>	<b>Assets</b>
	<b>2023</b>	<b>2022</b>
<b>Group</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	(133,768)	(133,768)
Tax losses	296,240	296,240
	<u>162,472</u>	<u>162,472</u>

**Gozney Group Limited****Notes to the financial statements (continued)****For the year ended 31 March 2023****17 Deferred taxation (continued)**

	Assets 2023 £	Assets 2022 £
<b>Company</b>		
Accelerated capital allowances	(133,768)	(133,768)
Tax losses	296,240	296,240
	<u>162,472</u>	<u>162,472</u>

There were no deferred tax movements in the year.

As at 31 March 2023 the group and company had taxable losses totalling £13,973,932 (2022: £5,901,212) representing a deferred tax asset of £3,272,730 (2022: £1,475,303). In the opinion of the directors, there is insufficient evidence that the full asset will be recovered at the current time. The directors are of the opinion that the asset recognised in 2021 remains recoverable and so continues to be recognised.

**18 Retirement benefit schemes**

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	163,406	76,877

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

**19 Share-based payment transactions**

The company operates an Enterprise Management Incentive share option plan. During the year a number of Ordinary share options were granted and can be exercised when exercise conditions are met, which is then the vesting date.

The Ordinary shares carry rights to vote, they can be considered for dividends, and have the right to a share in capital on the sale of the business/shares.



**Gozney Group Limited****Notes to the financial statements (continued)****For the year ended 31 March 2023****19 Share-based payment transactions (continued)**

Group and company	Number of share options		Weighted average exercise price	
	2023 Number	2022 Number	2023 £	2022 £
Outstanding at 1 April 2022	5,562,013	6,701,323	0.03	0.02
Granted	1,278,435	357,069	0.31	0.31
Forfeited	-	(263,200)	-	0.02
Exercised	-	(1,233,179)	-	0.02
Outstanding at 31 March 2023	6,840,448	5,562,013	0.08	0.03
Exercisable at 31 March 2023	-	-	-	-

The options outstanding at 31 March 2023 had an exercise price ranging from £0.0200 to £0.3050, and a remaining contractual life of between 6 and 9 years.

**Group and company**

The fair value of the options was calculated by assessing the group market value, third party reports and adjusting for the risks and restrictions built in to recognised share option valuation models.

**20 Share capital**

Group and company	2023	2022	2023	2022
	Number	Number	£	£
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary Shares of 0.0001p each	159,015,283	154,443,714	159	154

During the year the company issued 4,571,569 Ordinary shares of £0.000001 each.

**21 Reserves****Share capital**

The share capital reserve represents the nominal value of the shares issued.

**Share premium**

The share premium reserve represents the amounts received in excess of the nominal value of shares issued.

**Profit and loss**

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

**Gozney Group Limited**

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2023**

**22 Operating lease commitments**

**Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	86,903	107,359	68,165	107,359
Between two and five years	39,714	125,787	39,714	125,787
	<u>126,617</u>	<u>233,146</u>	<u>107,879</u>	<u>233,146</u>

**23 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<u>879,049</u>	<u>251,193</u>

**Other information**

In accordance with FRS102 (section 33.1A), the company has taken advantage of the exemption from the requirement to disclose related party transactions with group companies on the basis those group companies are wholly owned within the group.

As at the year end the group and company were owed £106,953 (2022: £55,819) by Gozney Shanghai, a company under common control.

As at the year end the group and company were owed £15,608 (2022: £nil) by Gozney Family Office Limited, a company under common control.

**24 Directors' transactions**

<b>Description</b>	<b>% Rate</b>	<b>Opening balance</b>	<b>Amounts advanced</b>	<b>Amounts repaid</b>	<b>Closing balance</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Directors loan	-	27,632	1,371,566	(1,758,153)	(358,955)
		<u>27,632</u>	<u>1,371,566</u>	<u>(1,758,153)</u>	<u>(358,955)</u>

**Gozney Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2023**

**25 Cash absorbed by group operations**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Loss for the year after tax	(8,977,512)	(3,740,665)
<b>Adjustments for:</b>		
Taxation credited	(108,069)	(176,317)
Finance costs	848,115	358,229
Amortisation and impairment of intangible assets	96,667	107,530
Depreciation and impairment of tangible fixed assets	372,073	253,305
Foreign exchange gains on cash equivalents	13,900	(2,087)
<b>Movements in working capital:</b>		
Decrease/(increase) in stocks	1,245,631	(8,003,002)
Increase in debtors	(1,132,260)	(1,496,362)
Increase in creditors	3,105,931	1,447,362
<b>Cash absorbed by operations</b>	<b>(4,535,524)</b>	<b>(11,252,007)</b>

**26 Analysis of changes in net debt - group**

	<b>1 April 2022</b>	<b>Cash flows</b>	<b>Exchange rate movements</b>	<b>31 March 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,353,874	(103,436)	(43,726)	1,206,712
Trade finance	(2,813,315)	(1,295,567)	-	(4,108,882)
	(1,459,441)	(1,399,003)	(43,726)	(2,902,170)
Borrowings excluding overdrafts	(5,012,225)	(2,456,548)	-	(7,468,773)
	(6,471,666)	(3,855,551)	(43,726)	(10,370,943)

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