

Registered number: 08615844 (England and Wales)

**Annual report and financial statements  
for the 53 weeks ended 03 April 2023**

**Naked Fine Wine Bonds PLC**



**Naked Fine Wine Bonds PLC**  
**Contents of the Annual report and financial statements**  
**For the 53 weeks ended 03 April 2023**

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**Naked Fine Wine Bonds PLC**  
**Company information**  
**For the 53 weeks ended 03 April 2023**

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**Directors:**

J Crawford  
N Devlin

**Company secretary:**

A E Huffsmith

**Registered office:**

The Union Building  
51-59 Rose Lane  
Norwich  
NR1 1BY

**Registered number:**

08615844 (England and Wales)

**Auditor:**

Deloitte LLP  
Statutory Auditor  
1 Station Square  
Cambridge  
CB1 2GA  
United Kingdom

The directors present their strategic report for the 53 weeks ended 03 April 2023.

#### **Review of the business**

The company's original strategy was to fund winemakers to make fine wines from grapes to maturity. To finance this investment, the company issued bonds which are now being redeemed.

The key financial and other performance indicator during the year was as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Borrowings	<b>35</b>	<b>35</b>

There are no further key performance indicators that the directors deem relevant for the company.

During the year, the company continued to look to redeem the balance of outstanding bonds.

The company's financial reporting year represents the 53 weeks to 03 April 2023. The prior financial year was for 52 weeks to 28 March 2022.

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

The company is part of the Naked Wines Group. The directors of Naked Wines plc manage the Group's overall risk management strategy at a Group level, rather than on an individual company level. For this reason, the company's directors believe that a discussion of the company's risks is not necessary, beyond those discussed below, for an understanding of the development, performance, or position of this company. The principal risks and uncertainties of Naked Wines plc, which include those of the company, are included in the strategic report section on pages 35 to 43 of the Group's annual report and accounts which do not form part of this report. The annual report and accounts of Naked Wines plc for the 53 weeks to 03 April 2023 can be obtained via the Investors section of the Naked Wines website: [www.nakedwinesplc.co.uk](http://www.nakedwinesplc.co.uk).

#### **Financial risk management objectives and policies**

The directors continually review and evaluate the risks that the company is facing. The main financial risk facing the company is:

##### ***Liquidity risk***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by having a long-term funding arrangement with its parent.

**Section 172(1) statement**

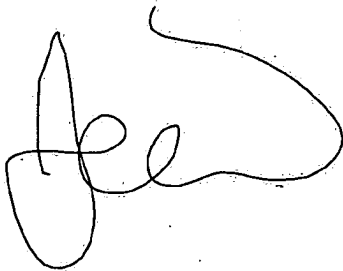
With regard to the requirements of S172 of the Companies Act 2006, the directors assert that they act in ways which they consider, in good faith, to be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard to:

- the likely consequences of any decision in the long term,
- 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, and
- the need to act fairly as between members of the company.

Each of the Directors is mindful of their duties under S172 of the Act to run the company for the benefit of its shareholders, and in doing so, to take into account the long term impact of any decisions on stakeholder relationships and the impact of its activities on its reputation.

The Directors have identified customers, i.e. bond holders as its key stakeholders. Building positive relations with these stakeholders, treating them well and with respect is essential to the success of the business. No other relevant considerations apply to this company.

**Approved and authorised by order of the Board:**



.....  
J Crawford  
Director

Date: .....28/09/23.....

**Naked Fine Wine Bonds PLC**  
**Directors' report**  
**For the 53 weeks ended 03 April 2023**

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**Registered number 08615844**

The Directors present their annual report with the audited financial statements of the company for the 53 weeks ended 03 April 2023.

**Directors**

The directors who served during the year and subsequent to the year end were:

J Crawford

N Devlin

**Dividends**

The company did not pay any dividends during the year and does not propose to pay any dividends (2022: £nil).

**Business relationships**

Refer to the Section 172(1) statement in the Strategic report on how the Directors have had regard to the need to foster the company's business relationships with suppliers, customers and others.

**Future developments**

At the balance sheet date, £35,000 remains to be settled to bond holders in the future years.

**Going concern**

The Company has obtained a letter of support from its ultimate parent undertaking, Naked Wines plc "the Group" that it will continue to provide financial support as necessary for the Company to meet its liabilities as they fall due for a period of at least 12 months following the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

In assessing the appropriateness of the going concern assumption, the Directors have considered (i) the cash requirements of the business to pursue its intended objectives and strategy, (ii) the sufficiency of resources of its ultimate parent undertaking Naked Wines PLC to be able to meet the obligations of the parent company letter of support to provide ongoing finance as necessary to meet its liabilities as they fall due, and (iii) potential variations in cash requirements of the Company and the ultimate parent company taking into account severe yet plausible downside scenarios that appropriately reflect the current uncertainties of the group.

The directors note that the annual report and accounts of its ultimate parent company, Naked Wines PLC, have been prepared on a going concern basis with a material uncertainty. The material uncertainty related to going concern relates to the Group's ability to generate sufficient future cashflows while trading in a volatile environment, successful completion of planned actions and maintaining access to the forecast level of Asset Backed Lending facility to meet its minimum cash covenant in the going concern period. See Naked Wines PLC annual report for further details. Having made necessary enquiries, the Directors have a reasonable expectation that the Company will be able to continue to meet its liabilities as they fall due but given the Company's reliance on support from the Group and factors detailed above, the directors consider these conditions to constitute a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

**Directors' liabilities**

The company's ultimate parent, Naked Wines plc, maintains indemnity for all directors of its subsidiaries against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

**Events since the balance sheet**

On 22 August 2023, the Directors of the ultimate parent company, Naked Wines plc, concluded an amendment to the principal covenant obligations of the Group's asset-backed lending facility. The Company is a participant and guarantor to the financial condition covenants in relation to this credit facility.

This amendment moves the facility defined adjusted EBITDA covenant commitment threshold from a trailing three to a trailing 12-month basis from the beginning of FY25 and increases the size and specificity of the non-recurring expense add-back in the calculation of the facility defined adjusted EBITDA covenant commitment. The amendment also documented as a post close completion obligation the inclusion of the Group's Australian businesses as loan parties to the agreement. These revised covenant obligations came into effect for periods beginning after 2 October 2023.

The introduction of the revised covenant commitments has no financial effect on the operation of the credit facility. However, the Directors of the ultimate parent company believe that the revised profit covenant test provides the Group with greater latitude in the unwind of the Group's excess inventory and management of its operating cost base.

There were no other events after the balance sheet date that had a material impact on the financial position and performance of the Company.

**Disclosure of information to the auditor**

Each of the directors at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

**Appointment of the auditor**

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting to appoint KPMG LLP as auditor of the company.

**Approved and authorised by order of the Board:**



J Crawford  
Director

Date: 28.09.23

**Naked Fine Wine Bonds PLC**  
**Directors' responsibilities statement**  
**For the 53 weeks ended 03 April 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), including FRS 101 "Reduced Disclosure Framework". Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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



**Independent auditor's report to the members of Naked Fine Wine Bonds Plc**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of Naked Fine Wine Bonds Plc (the 'company'):

- give a true and fair view of the state of the company's affairs as at 03 April 2023 and of its profit/(loss) for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework".

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material uncertainty related to going concern**

We draw attention to note 2 in the financial statements, which indicates that the company is reliant on financial support from its ultimate parent, Naked Wines PLC to meet its liabilities as they fall due. The ability of the Naked Wines plc to provide such support is dependent on its ability to generate sufficient future cash flows while trading in a volatile environment, successful completion of planned actions and maintaining access to the forecast level of Asset Backed Lending facility in order to meet its minimum cash covenant in the going concern period. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

**Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is

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

We have nothing to report in this regard.

#### **Responsibilities of directors**

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

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

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

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

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

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made

in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

#### **Report on other legal and regulatory requirements**

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

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

- the information given in the 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.

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

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

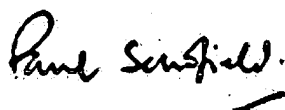
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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

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



Paul Schofield FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Cambridge, UK  
Date: 28 September 2023

**Naked Fine Wine Bonds PLC**  
**Statement of Comprehensive Income**  
**For the 53 weeks ended 03 April 2023**

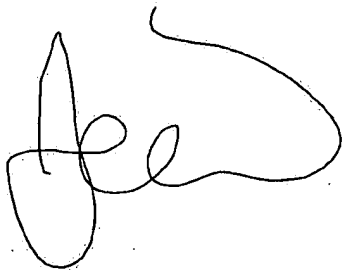
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<b>Continuing operations</b>		<b>2023</b>	<b>2022</b>
		<b>£'000</b>	<b>£'000</b>
	<b>Notes</b>		
Administrative expenses		-	-
Operating profit/(loss)	3	-	-
Tax	5	-	-
<b>Profit/(loss) for the year</b>		-	-
Other comprehensive income/(expense)		-	-
<b>Total comprehensive profit/(loss) for the year</b>		-	-

**Naked Fine Wine Bonds PLC**  
**Balance Sheet**  
**As at 03 April 2023**

	Notes	2023 £'000	2022 £'000
<b>Non-current receivables</b>	6	<u>3,496</u>	<u>3,496</u>
		<u>3,496</u>	<u>3,496</u>
<b>Current assets</b>			
Cash and cash equivalents		<u>-</u>	<u>1</u>
		<u>-</u>	<u>1</u>
<b>Current liabilities</b>			
Other payables	7	<u>(3,580)</u>	<u>(3,581)</u>
Financial liabilities	8	<u>(35)</u>	<u>(35)</u>
		<u>(3,615)</u>	<u>(3,616)</u>
<b>Net current liabilities</b>		<u>(3,615)</u>	<u>(3,615)</u>
<b>Net liabilities</b>		<u>(119)</u>	<u>(119)</u>
<b>Capital and reserves</b>			
Share capital and reserves	9	<u>50</u>	<u>50</u>
Profit and loss account	9	<u>(169)</u>	<u>(169)</u>
<b>Shareholders' deficit</b>		<u>(119)</u>	<u>(119)</u>

The financial statements were approved by the Board on ...28.09.23..... and signed on its behalf by:



**J Crawford**  
**Director**  
**Company No: 08615844**

**Naked Fine Wine Bonds PLC**  
**Statement of Changes in Equity**  
**For the 53 weeks ended 03 April 2023**

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	Share capital £'000	Retained earnings £'000	Total £'000
At 29 March 2021	50	(169)	(119)
Profit/(loss) for the year	-	-	-
Total comprehensive income/(expense) for the year	-	-	-
At 28 March 2022	50	(169)	(119)
Profit/(loss) for the year	-	-	-
Total comprehensive income/(expense) for the year	-	-	-
At 03 April 2023	50	(169)	(119)

## **1. General information**

Naked Fine Wine Bonds PLC ("the company") is a public limited company, limited by shares and incorporated in the United Kingdom under the Companies Act 2006 (registration number 08615844). The company is domiciled in the United Kingdom and is registered in England and Wales. The company's registered address is The Union Building, 51-59 Rose Lane, Norwich, NR1 1BY. The company is a wholly owned subsidiary of Naked Wines International Limited, which itself is a wholly owned subsidiary within the Naked Wines plc Group (Company number 08615844) ("the Group"). The Group is headed up by Naked Wines plc, which is registered in the United Kingdom. Copies of the financial statements of Naked Wines plc Group for the 53 weeks to 03 April 2023 can be obtained from the company at the registered address (The company's registered address is The Union Building, 51-59 Rose Lane, Norwich, NR1 1BY)

## **2. Accounting policies**

### **Authorisation of financial statements and statement of compliance**

The financial statements of Naked Fine Wine Bonds PLC have been prepared in compliance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and in accordance with the applicable accounting standards.

### **Basis of preparation**

The accounting policies which follow set out those policies which apply in preparing the financial statements for the 53 weeks ended 03 April 2023. The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- (b) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (c) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (d) The requirements the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 *Revenue from Contracts with Customers*;
- (e) The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - i. paragraph 79(a)(iv) of IAS 1;
  - ii. paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - iii. the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- (f) the requirements of IAS 7 Statement of Cash Flows;
- (g) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (h) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (i) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (j) the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets; and
- (k) the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total.
- (l) factors used to identify the entity's reportable segments, including the basis of organisation (for example, whether management has chosen to organise the entity around differences in products and services, geographical areas, regulatory environments, or a combination of factors and whether operating segments have been aggregated).
- (m) The judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8. This includes a brief description of the operating segments that have been aggregated in this way and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics.

(n) Types of products and services from which each reportable segment derives its revenues.

The financial statements have been prepared under the historical cost convention. The financial year represents the 53 weeks to 03 April 2023 and the prior financial year, 52 weeks to 28 March 2022. The company financial statements are presented in sterling which is the company's functional and presentational currency. All values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

#### **Going concern**

The Company has obtained a letter of support from its ultimate parent undertaking, Naked Wines plc, "the Group", that it will continue to provide financial support as necessary for the Company to meet its liabilities as they fall due for a period of at least 12 months following the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

In assessing the appropriateness of the going concern assumption, the Directors have considered (i) the cash requirements of the business to pursue its intended objectives and strategy, (ii) the sufficiency of resources of its ultimate parent undertaking Naked Wines PLC to be able to meet the obligations of the parent company letter of support to provide ongoing finance as necessary to meet its liabilities as they fall due, and (iii) potential variations in cash requirements of the Company and the ultimate parent company taking into account severe yet plausible downside scenarios that appropriately reflect the current uncertainties of the group.

The directors note that the annual report and accounts of its ultimate parent company, Naked Wines PLC, have been prepared on a going concern basis with a material uncertainty. The material uncertainty related to going concern relates to the Group's ability to generate sufficient future cashflows while trading in a volatile environment, successful completion of planned actions and maintaining access to the forecast level of Asset Backed Lending facility to meet its minimum cash covenant in the going concern period. See Naked Wines PLC annual report for further details. Having made necessary enquiries, the Directors have a reasonable expectation that the Company will be able to continue to meet its liabilities as they fall due but given the Company's reliance on support from the Group and factors detailed above, the directors consider these conditions to constitute a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

#### **New standards, amendments and IFRIC interpretations**

The following new amendments that are required to be adopted in annual periods beginning on 1 January 2023, do not have an impact on the financial statements of the company:

<b>IFRS</b>	<b>Subject</b>
Amendments to IFRS 3	Reference to the Conceptual Framework
Amendments to IAS 16	Property, Plant and Equipment—Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to IFRS Standards 2018-2020 Cycle	Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

At the date of authorisation of these financial statements, the company has not applied the following new and revised IFRSs that have been issued but are not yet effective. The Directors do not expect that the adoption of the Standards listed above will have an impact on the financial statements of the company in future periods.



**Naked Fine Wine Bonds PLC**  
**Notes to the financial statements continued**  
**For the 53 weeks ended 03 April 2023**

Effective date	IFRS	Subject
1 January 2023	Amendments to IAS 1	Classification of Liabilities as Current or Non-current
	Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
	IFRS 17	Insurance Contracts
	Amendments to IAS 8	Definition of Accounting Estimates
	Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Effective date deferred indefinitely	Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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

In the process of applying the company's accounting policies the Directors consider there to be no critical accounting judgements that have a significant effect on the amounts recognised in the financial statements. The Directors also consider there to be no key sources of estimation uncertainty.

**Significant accounting policies**

The company's accounting policies, as set out below have been consistently applied during the year.

**Other receivables**

Other receivables are initially measured at fair value and subsequently measured at amortised cost less any provision for impairment. A provision for impairment is established when based on an expected loss model.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short term deposits, with original maturities at inception of less than 90 days.

**Financial liabilities and equity**

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Interest-bearing bank loans and overdrafts are measured initially at fair value net of attributable arrangement costs, and subsequently at amortised cost, using the effective interest rate method.

Other payables are recorded at fair value which is estimated to be equivalent to book value.

**Foreign currency transactions**

Transactions in foreign currencies are translated at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income for the year.

### 3. Operating profit/(loss)

	2023 £'000	2022 £'000
--	---------------	---------------

Operating profit/(loss) is after charging:

#### Auditor's remuneration

Audit of the financial statements

Audit fees of £4,000 (2022: £2,000) were borne by the ultimate parent company.

### 4. Employees and Directors

Directors were not remunerated for their services to the company. The company had no employees in either the current year or preceding year.

### 5. Tax

a) The tax charge is made up as follows:

	2023 £'000	2022 £'000
UK corporation tax	-	-
Current tax credit	-	-

b) Reconciliation of effective tax rate:

The tax assessed on the profit for the year is the same as the standard rate of corporation tax in the UK of 19% (2022: 19%) The differences are reconciled below:

	2023 £'000	2022 £'000
Profit/(loss) before tax	-	-
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2022: 19%)	-	-
Current tax	-	-
Effective tax rate	-	-

The chancellor has confirmed an increase in CT rate from 19% to 25% with effect from 1 April 2023 that received Royal Assent on 10 July 2021.

### 6. Non-current receivables

	2023 £'000	2022 £'000
Amounts due from fellow subsidiary undertakings	3,496	3,496

The Directors have determined that these amounts are not expected to be recovered within the next 12 months. They are financing in nature, unsecured, repayable on demand, and are interest free.

**7. Other payables**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due to ultimate parent undertaking	<b>(1,600)</b>	<b>(1,600)</b>
Amounts due to immediate parent undertaking	<b>(1,911)</b>	<b>(1,911)</b>
Amounts due to fellow subsidiary undertakings	<b>(69)</b>	<b>(70)</b>
	<b>(3,580)</b>	<b>(3,581)</b>

The amounts due to ultimate, immediate and fellow subsidiary undertakings are financing in nature, are repayable on demand, interest free and are not expected to be settled within one year.

**8. Financial liabilities**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current borrowings</b>	<b>(35)</b>	<b>(35)</b>

Unsecured bonds are interest free since the decision was taken to make all outstanding bonds redeemable.

**9. Share capital and reserves**

*Share capital*

	<b>2023</b>		<b>2022</b>	
	<b>Number of shares</b>	<b>Value £'000</b>	<b>Number of shares</b>	<b>Value £'000</b>
<b>Authorised</b>				
Ordinary shares of 10p each	<b>500,000</b>	<b>50</b>	<b>500,000</b>	<b>50</b>
<b>Issued and fully paid</b>				
Ordinary shares of 10p each	<b>500,000</b>	<b>50</b>	<b>500,000</b>	<b>50</b>

There has been no change to the company's authorised or allotted share capital during the year to 03 April 2023.

*Profit and loss account*

The profit and loss account represents cumulative profits or losses, and other adjustments.

#### **10. Events since the balance sheet date**

On 22 August 2023, the Directors of the ultimate parent company, Naked Wines plc, concluded an amendment to the principal covenant obligations of the Group's asset backed lending facility. The Company is a participant and guarantor to the financial condition covenants in relation to this credit facility.

This amendment moves the facility defined adjusted EBITDA covenant commitment threshold from a trailing three to a trailing 12-month basis from the beginning of FY25 and increases the size and specificity of the non-recurring expense add-back in the calculation of the facility defined adjusted EBITDA covenant commitment. The amendment also documented as a post close completion obligation the inclusion of the Group's Australian businesses as loan parties to the agreement. These revised covenant obligations came into effect for periods beginning after 2 October 2023. The introduction of the revised covenant commitments has no financial effect on the operation of the credit facility. However, the Directors of the ultimate parent company believe that the revised profit covenant test provides the Group with greater latitude in the unwind of the Group's excess inventory and management of its operating cost base.

There were no other events after the balance sheet date that had a material impact on the financial position and performance of the Company.

#### **11. Ultimate parent company**

The company's immediate parent undertaking is Naked Wines International Limited, a company domiciled in the United Kingdom

The ultimate parent undertaking and controlling party is Naked Wines plc which is the parent undertaking of the smallest and largest group to consolidate these financial statements and is incorporated in the United Kingdom.

The registered address for both the immediate parent undertaking and the ultimate parent undertaking is The Union Building, 51-59 Rose Lane, Norwich, NR1 1BY. Group Financial Statements are available via the Investors section of the Naked Wines website: [www.nakedwinesplc.co.uk](http://www.nakedwinesplc.co.uk)